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Economic Ministers Form Cooperation Council

MK0907094093 Moscow KOMMERSANT-DAILY in Russian 9 Jul 93 p 3

[Konstantin Smirnov report: "CIS Economics Ministers Meet. Economics Ministers Get Down to Restoring Cooperation"]

[Excerpts] The process of creating an economic union of the CIS countries is taking on an increasingly "European" nature. At the conference of CIS economic ministers that ended in Moscow yesterday, it was decided to set up a council (conference) of economic ministers whose task would be to coordinate on a regular basis the activities of their ministries. Analogous councils have already been formed by the heads of a number of sectoral agencies of the Commonwealth countries. [passage omitted]

In the view of Vladimir Mashchits, chairman of the State Committee for Economic Cooperation with Commonwealth Members, who spoke at yesterday's conference, in order to restore and expand relations between the republics it is necessary first and foremost to develop a new pattern of direct cooperation links between economic entities. In that process, one should stress optimization of clearing arrangements between the countries and the building of direct links between productions with the view to setting up joint ventures and carrying though public cross-corporatization.

Participants in the conference that ended in Moscow yesterday decided to go beyond the signing of a protocol that spells out economic cooperation guidelines for 1994, and to create a standing council (conference) of CIS economic ministers which will hold its next session in Moscow in early September. [passage omitted]

ITAR-TASS Carries Press Review for 9 Jul

LD0907061093 Moscow ITAR-TASS in English 0513 GMT 9 Jul 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow July 9 ITAR-TASS—Russian newspapers highlight today the conference of leaders of the seven major industrially developed countries in Tokyo which is being attended by President Yeltsin. The G7 leaders adopted a political declaration. "The fact that one of the main sections of that document deals with Russia gives a lead for the forthcoming meetings of the Russian president with the leaders of the G7 countries, who expressed firm support for Russia's reform-oriented efforts," KRASNAYA ZVEZDA writes. "However, the most important objective for President Yeltsin's forthcoming talks consists in making that support more real."

Commenting on the political declaration of the Tokyo summit, KOMSOMOLSKAYA PRAVDA points out that it "confirms one again the 'marxist' idea that the G7 is being obviously transformed from just economic to the political areopagus of the planet ... The ten items of the declaration cover about all the acute problems that worry humanity today."

PRAVDA points out that there were no sensations at the G7 summit in Tokyo. It cites statements and commentaries of foreign newspapers on the resolutions adopted by the G7 leaders. According to the PRAVDA correspondent in Brussels, who cites statements of the western press, Russia's prospects of becoming a worthy trade partner of western counties are rather bleak. "The liberalisation of world trade and the quest for new markets are the two methods with the help of which western countries hope to alleviate the current economic difficulties and ensure their further prosperity," PRAVDA writes. However, in the opinion of the newspaper, there is no place for Russia in that strategy. The agreement, reached by the G7 leaders in Tokyo, on the global reduction of customs tariffs by 40 per cent is unprecedented by its scope, but it affects only trade relations between the United States, Canada, Japan and the European Community member states.

KRASNAYA ZVEZDA publishes an article by Colonel General Igor Sergeev, commander-in-chief of the strategic missile forces, which deals with the problems facing them. "Now everyone is on duty in the strategic missile troops—from soldiers to the commander-in-chief. The situation has never been anything like that, but now this is the only way for us. When I am on duty myself, I can be sure that I know all the problems from the inside," he said. Touching upon the problems facing the strategic missile forces, Sergeev writes that now even the crews of missiles on operational standby are manned only by 50 to 60 per cent. The problem of the shortage of personnel is being resolved with the help of contract employment of specialists.

G-7 Summit Continues, Yeltsin Meets With Leaders

Yeltsin Meets Miyazawa 8 Jun

LD0807121193 Moscow Radio Rossii Network in Russian 1100 GMT 8 Jul 93

[Text] It has already been reported that Russian President Boris Yeltsin is in Tokyo. Sergey Shalygin, our special correspondent, reports from the Japanese capital:

[Shalygin] Less than an hour ago, the press service of the president of the Russian Federation issued the following statement to the press: Russian President Boris Yeltsin, who is in Tokyo to hold talks with the leaders of the Big Seven, had a meeting with Japanese Prime Minister Kiichi Miyazawa on 8 July. In the course of the conversation, both countries confirmed that they agree on the approach toward the tasks of Russia's cooperation with the G-7 countries. Boris Yeltsin positively appraised Japan's activities in preparing the conference of the G-7 leaders, which aims to mobilize all-around efforts to support Russian reforms, and reinforced Russia's readiness to broaden its interaction with the G-7 countries so as to facilitate the process of transformations in Russia, says the statement issued by Boris Yeltsin's press service.

The sides were unanimous that, with the end of the Cold War, the world has embraced a completely new system of relations among states, based on the priority of common values and joint responsibility for the future of mankind. The mutual interest of Russia and Japan as neighboring states was confirmed in ensuring a transition toward genuine partnership. A solid infrastructure exists to implement it. If it is given specific meaning, it will make it easier to resolve sensitive problems that are a legacy of the past.

The leaders of Russia and Japan, says the statement by Boris Yeltsin's press service, came out in favor of developing bilateral cooperation in various areas. They want Russia's total participation in the structure of international economic interaction. In connection with the problems that exist in relations between the two countries, including the task of concluding a peace treaty, the Russian side noted the importance of settling them on the basis of the principles of legality and justice and within the context of a balanced development of the entire range of mutual ties, the circumstances of each other having been objectively taken account of without haste and superfluous emotions. Let me remind you that this was the text of a statement by the press service of the president of the Russian Federation, issued in Tokyo following a meeting between Boris Yeltsin and Japanese Prime Minister Kiichi Miyazawa.

Leaders Agree on Support Package

LD0907051693 Moscow ITAR-TASS in English 0508 GMT 9 Jul 93

[Text] Tokyo July 9 TASS—Leaders of the seven major industrially developed countries have reached agreement on the allocation of three billion dollars for the implementation of the programme of support for privatization and the reorganisation of enterprises in Russia. The programme will be implemented by the G7 countries jointly with major international financial institutions. The agreement has been recorded in an economic declaration adopted today after the end of discussions within the framework of the annual summit meeting of the G7 countries.

The G7 countries agreed as well to set up a support group in Moscow, whose task will be to promote the effective implementation of western aid programmes for Russia. The declaration says that the G7 countries recognise the importance of a broader access of Russia to the markets in the interests of its economic progress, that they will cooperate with Russia along with its advance towards the joining of the General Agreement on Tariffs and Trade. With this in view the G7 countries intend to step up their efforts in order to bring control over exports into line with the realities of the post-cold-war epoch.

The document, which was made public by Japanese Prime Minister Kiichi Miyazawa, contains an analysis of world economic problems. The G7 leaders are especially concerned over the growth of unemployment in those countries: a total number of the unemployed reached 23 million there. In this connection the G7 leaders voiced their intention to take measures for implementing "a coordinated strategy of global growth", aimed at improving the situation in the sphere of employment. They reiterated their allegiance to the restriction of protectionism in all its manifestations and described as their top priority the successful completion of the Uruguayan Round of multilateral trade talks within the GATT framework.

After ending the conference, the leaders of the United States, Britain, Germany, Italy, Canada, France and Japan will have a meeting with Russian President Yeltsin today.

Invitation Secured to Next G-7 Meeting

LD0907061893 Moscow ITAR-TASS in English 0615 GMT 9 Jul 93

[By ITAR-TASS special correspondent]

[Text] Tokyo june 13 TASS—Russian President Boris Yeltsin will be invited to the next summit of seven major industrialised countries due to take place in Naples in 1994, British Prime Minister John Major said at a press conference upon the results of the regular annual meeting of the group of seven heads of state and government in Tokyo today.

Major emphasised that the G-7 leaders did not diverge an inch as regards the desirability of Yeltsin's arrival in Naples next year and inviting him there now.

Major described the "seven plus one" formula under which meetings between the Russian president and the

G-7 leaders are held as the most suitable at this stage. The Group of Seven countries are the leading industrialised powers of the world and Russia does not fall under this category, he said.

At the same time, Major emphasised that Russia is a country of vital importance both in political terms and in all other respects. The leaders of the Group of Seven nations believe that it is both in their and Russian interests to conduct a regular annual dialogue, he added.

Yeltsin Meeting With Leaders Opens

LD0907082293 Moscow ITAR-TASS in English 0701 GMT 9 Jul 93

[By ITAR-TASS special correspondent]

[Text] Tokyo, July 9 (TASS)—A meeting between Russian President Boris Yeltsin and the leaders of the Group of Seven nations—Britain, Germany, Italy, Canada, the U.S., France and Japan—opened in the Japanese capital today.

The meeting, which is being held under the "Seven Plus One" formula, will address issues of lending by major Western industrialised countries support to Russian reforms and is also expected to discuss a range of international problems.

The Russian side intends to press for cancelling discriminative restrictions in relationships with the G-7 countries which have been in force since the existence of the Communist system in the former Soviet Union.

The meeting is being held upon the completion of the annual G-7 summit in Tokyo which involved the top leaders of this group of leading industrialised nations as well as their foreign and finance ministers. Japanese Prime Minister Kiichi Miyazawa will as head of government of the country that chairs the summit make public the final communique adopted at the summit. This document also pays great attention to the provision of backing to market transformations in Russia.

Upon the completion of the "Seven Plus One" meeting, Yeltsin and Miyazawa will give a joint press conference. The Russian president is also expected to have separate meetings with the prime ministers of Britain—John Major, Canada—Kim Campbell, Italy—Carlo Azeglio Ciampi and also former Japanese Prime Minister Yasuhiro Nakasone today.

Kohl on Aid Package

LD0907100893 Moscow ITAR-TASS in English 0855 GMT 9 Jul 93

[Text] Tokyo July 9 TASS—Decisions taken by the Group of Seven summit in Tokyo to give aid to Russia created a sound basis for talks between the G-7 leaders and President Boris Yeltsin and for the Russian-German summit in the area of Lake Baykal on July 10-11, German Chancellor Helmut Kohl said at a news conference here on Friday.

Asked by ITAR-TASS about the package of economic measures to support reforms in Russia, he said that this is a lengthy process which will eventually lead to the creation of a free market in the country "having great future."

Kohl noted that he attaches special importance to the implementation of the G-7 programme for measures to ensure safety of nuclear power plants on the territory of the former Soviet Union. This programme was outlined in the decisions of the Group of Seven summit in Munich last year.

The chancellor noted that the G-7 leaders decided during their consultations at the summit that Russia would participate in the next summit in Naples next July according to the formula "seven plus one."

Since the latest summits of the G-7 leaders were packed too much with official and protocol events, Kohl said, the participants in the present summit agreed that the next meeting in Italy will be held in a less official atmosphere, giving the G-7 leaders more time for personal contacts.

Yeltsin To Meet Kohl 10 Jul

LD0907085993 Moscow ITAR-TASS in English 0830 GMT 9 Jul 93

[By ITAR-TASS correspondent Vladimir Khody]

[Text] Irkutsk, July 9 (TASS)—The venue of the forthcoming working meeting between Russian President Yeltsin and Chancellor Helmut Kohl of Germany has been specified.

As is known, the meeting is scheduled for July 10-11. Upon their arrival in the Irkutsk airport from Tokyo on Saturday afternoon, the two leaders will set out for the village of Listvyanka, situated on the bank of Lake Baykal, sixty kilometers away from the city.

The talks will be held at the "Intourist" hotel built some thirty years ago in preparation for the visit of the U.S. President Dwight Eisenhower. The visit was eventually cancelled because of the incident with the American reconnaisance plane shot down over the territory of the then Soviet Union.

Since then, scores of heads of state have visited the hotel on the bank of Lake Baykal.

Britain's Major Terms Meeting 'Fruitful'

LD0907104593 Moscow ITAR-TASS in English 1021 GMT 9 Jul 93

[By ITAR-TASS correspondents]

[Text] Tokyo July 9 TASS—Russian President Boris Yeltsin met with British Prime Minister John Major on Friday in the framework of the G-7 summit in Tokyo and agreed to develop political dialogue of Russia with the European Community and the Group of Seven.

Major told reporters that the meeting with the Russian president was very fruitful and that Yeltsin is sure he will succeed in restructuring the political system of the country.

However, Yeltsin understands that a long path is to be traversed to complete the draft constitution and hold new parliamentary elections, according to Major.

He added that Yeltsin is more confident after his victory at the April 25 referendum.

Yeltsin on G-7 Nations' Attitudes

LD0907105593 Moscow Radio Rossii Network in Russian 1000 GMT 9 Jul 93

[Excerpt] [passage omitted] A joint press conference took place in Tokyo with Yeltsin and Miyazawa. The Russian president said in particular that:

[Begin Yeltsin recording] The 19th meeting of the Group of Seven has ended. At the last meeting, in Munich, political decisions were taken to begin financial and economic assistance for Russian reforms. The decisions were of a large scale, but they were put into effect to only a small extent. Over the last year, both Russia and the attitudes of the G-7 states toward her have changed. Our country has made serious progress toward a free and democratic society and a market economy. However, the process of change has been a very difficult one. The acuity and drama of the situation in Russia have helped the G-7 states to realize better that the fate of reform in Russia is vital to the whole world.

In Tokyo, we have moved on to Russian reform support programs that are on a broader scale and more fully developed. In my political statement I emphasized that a civil society is being reborn in Russia. A Constitutional Conference is at work in Moscow, where representatives of parties, social and professional groups, and religious circles are establishing a draft for a new Russian Constitution. This will be a new and genuinely democratic constitution. I would like to emphasize that the interests of Russia, which intends to remain firmly attached to the legal basis of a democratic constitution, answer to the interests of the whole democratic world and the interests of the G-7 countries. The political and economic development of a Russia of this kind are predictable, as is its foreign policy. A democratic Russia is an important element in world stability. [end recording]

Russia's Approaches 'Are Well Known'

PM0807131193 Moscow IZVESTIYA in Russian 8 Jul 93 First Edition pp 1, 3

[Sergey Agafonov report: "Tokyo Summit: 'Information Leak' From Moscow Precedes Russian President's Arrival"]

[Excerpts] Tokyo—[passage omitted] Particular attention was drawn to the U.S. delegation's increased activeness and the busy schedule of President Clinton, for whom the Tokyo trip is his overseas debut. It has been a debut with its poignant points, as all the newspapers have been reporting. While still en route to Japan President Clinton told reporters aboard the aircraft that Japan is experiencing an overdue period of political change which the Japanese themselves should neither fear nor be ashamed of—Japan will only benefit from it. And Clinton made no secret of the fact that, while he is the guest of Prime Minister Miyazawa, he also wants to get to know the latter's political opponents. This came as somewhat of a shock to the hospitable summit host, who is already depressed about his domestic political outlook, which holds out little promise for him in the upcoming parliamentary elections. This slight shock became severe when it transpired that Clinton would be meeting with members of the opposition straight after talks with Miyazawa—a special reception was held at the U.S. Embassy, the guest list for which, it is claimed, was actually drawn up in the White House. Miyazawa was not among those invited, but the entire "range" of potential prime ministers in the future new Japanese cabinet were in attendance. [passage omitted]

The theme of Russia made little, if any, impact on the eve of the summit. The participants have been dealing with other problems and have not gone into the problems of Russia in detail. The room allocated to the Russian delegation at the summit press center remained under lock and key, and there was no response to the persistent knocking on the door by reporters avid for any information on the homeland of perestroyka—even though Krasikov, the Russian representative responsible for press contacts, arrived in Tokyo on 3 July. The room was only opened at midday on 7 July so that reporters could familiarize themselves with the program for Boris Yeltsin's visit. And it was noted that no papers, documents, or press releases setting out the Russian approaches to urgent questions of world politics, the G-7, or other problems should be expected—these approaches, Krasikov emphasized, are well known. Above all, the Russian delegation's public relations [propagandistskoye obespecheniye] will be handled by President Yeltsin himself, who will personally tell journalists everything important that they need to know.

As for the president's program, there is little in it that is fundamentally new compared with what has already been reported--there is a meeting with the Italian prime minister (which is understandable) and with former Japanese Premier Nakasone (which is not very understandable). Nakasone's exclusive is planned to last 30 minutes (as long as the meeting with the current head of the cabinet). When they heard this, my Japanese colleagues noted that the Russian side was confidently plowing an exclusively Russian furrow.

A KYODO report, quoting an anonymous source in the president's entourage in Moscow, is currently being widely discussed. It states that in his meeting with the G-7 leaders Yeltsin will call for the elimination of trade and economic discrimination against Russia and will call such discrimination unfair. He will criticize the position

of the leading Western powers on trade contacts with Russia and on the question of restricted access to advanced technology...

Incidentally, Yeltsin arrives in Tokyo around midday 8 July.

Fedorov Interviewed on Summit

PM0807153393 Rome L'UNITA in Italian 7 Jul 93 p 4

[Interview with Russian Finance Minister Boris Fedorov by Sergio Sergi in Moscow; date not given]

[Excerpt] Moscow—[passage omitted] [Sergi] What actions can you boast of in order for the G-7 summit to be a success for Moscow?

[Fedorov] Last week it was decided to grant Russia the first installment—$1.5 billion—of so-called credit for transforming the economic system. This funding is coming through. It would be a mistake, therefore, to say that nothing has come through. Over the next three months we hope to obtain a further $1.5 billion. The international community is willing to grant assistance to a state in which there is concrete change, above all in economic reform. We are appearing before the G-7 with an agreement between the government and the central bank, and I think this will be useful. We can keep our promises.

[Sergi] But inflation is threatening, the ruble's exchange rate against the dollar shows that...

[Fedorov] Actually, the exchange rate has been steady, at the same level, for three weeks now. We have stuck to second quarter credit limits. In other words, the international community can see that an economic policy has been set in motion. It is not a shock therapy or a therapy of excessively stringent measures. We are certain that we will obtain the assistance we have asked for. Of course, a lot will depend on how internal political events develop, because instability is no good.

[Sergi] So what does Russia expect from the Tokyo summit?

[Fedorov] I do not think Tokyo represents a decisive step. It is only one of the stages on the road toward our becoming internationally integrated. We do not expect spectacular decisions, but confirmation of existing agreements. The issue of IMF reserve credit, the so-called "standbys," will clearly have to be addressed. That is a further $4 billion. And if the dollar has been steady at 1,100 rubles for three weeks, it will remain so until at least the end of August, with a maximum fluctuation of 5 percent; that means that we will be moving closer toward stability in the exchange rate, a result which will raise the issue of the 6 billion [currency not given] stabilization fund about which there was so much talk last year. We can tell the G-7 countries that we have made a certain amount of progress and we await their decision on the ruble. We do not expect it to come this year, but if it did...

[Sergi] Fine; but you also have other requests?

[Fedorov] Of course. We have asked for 3 million for medium and small businesses, but so far we have seen nothing. Then we need 2 billion to set up the state-run privatization and restructuring fund. As things stand, businesses do not know who to turn to for long-term credit. But the most important thing we want is to allow our exporters access to Western markets. In our view, Russia is being genuinely discriminated against. It is much more important, in our eyes, to break this discrimination than to obtain credit. President Yeltsin will raise this matter firmly during his talks in Japan. An end to discrimination is the key problem.

[Sergi] And do you really expect this step?

[Fedorov] We expect a clear statement from the Seven on access to markets. Then, if the privatization fund sees the light, that would also be a concrete result. But, in my view, it is very important that we achieve clarification regarding the stabilization fund and the beginning of talks on the reserve fund. Then we could say that our economic policy inspires faith and puts us in a position to begin serious negotiations. Of course, we do not want to measure the results of Tokyo in generic figures. We do not expect aid. The word "aid" is inadmissible. No aid is planned in the Seven's package. The entire sum of 43 billion mentioned consists of credit with specific interest rates and expiration dates. We could call it support and cooperation. Even if Russia is not a member of the "G-8," we have been included, as a member with equal rights, in the club of advanced states for three years.

Yeltsin Conducts Bilateral Meetings With Japanese

Mid-October Visit Planned

LD0807132193 Moscow ITAR-TASS World Service in Russian 1219 GMT 8 Jul 93

[ITAR-TASS issues a kill of item headlined "Yeltsin To Visit Japan Sep, Oct This Year" published in the 8 July Central Eurasia DAILY REPORT on page 11 and substitutes the following item by ITAR-TASS special correspondent]

[Text] Tokyo, 8 July—Russian President Boris Yeltsin may go on an official visit to Tokyo at a time convenient for both parties in September-October of this year to discuss the territorial and other problems of bilateral relations. A high-ranking spokesman for the Foreign Ministry said at a briefing by the Japanese side that an agreement to that effect was reached at today's Russian-Japanese summit in Tokyo.

However, Anatoliy Krasikov, head of the Russian president's press service, in an exclusive interview with the special ITAR-TASS correspondent, explained that "the question of the Russian president's visit to Tokyo was

indeed touched upon during the meeting between President Yeltsin and the Japanese prime minister." "Mid-October was mentioned as one of the possible dates," he said. "The discussion of this matter will continue."

Tours Sony Corporation

LD0907084293 Moscow ITAR-TASS in English 0730 GMT 9 Jul 93

[By ITAR-TASS special correspondent]

[Text] Tokyo, July 9 (TASS)—Although Russian President Boris Yeltsin has a very hectic programme of participation in the Tokyo meeting of the leaders of the seven major indutrialised nations, he found time to visit the Tokyo centre of the renowned electric-engineering concern Sony today.

The Russian leader acquainted himself with the latest development projects of the company that seeks to maintain continually the competitive edge in many areas of electronics. The company's experts demonstrated to Yeltsin the technology of processing visual information transmitted from space, which makes it possible to go from the general picture to specific parts while preserving the high quality of the image.

An official representative of the Russian delegation told ITAR-TASS that during the tour of Sony there was no talk about signing any contracts. This was a familiarization visit with which the Russian president remained satisfied. It demonstrated anew broad vistas for economic, scientific and technical cooperation between the two countries.

Kozyrev Comments on Visit

LD0907102393 Moscow ITAR-TASS World Service in Russian 0930 GMT 9 Jul 93

[ITAR-TASS special correspondent]

[Text] Tokyo, 9 July—Russian Foreign Minister Andrey Kozyrev has stated that "the Russian president's visit to Japan has been very fruitful." At his meeting in Tokyo today with Michio Watanabe, a former head of the Japanese Foreign Ministry, Kozyrev stressed, "Even now one can say that the positive development of Russia-Japanese relations is becoming irreversible."

Western Foreign Aid Policy Analyzed

MK0807094093 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 7, 11 Jul 93 (signed to press 6 Jul) p A7

[Article by Sergey Karaganov, deputy director of Russian Academy of Sciences Europe Institute: "Western Aid: Tokyo and After"]

[Text] Together with a group of his colleagues, this author has carried out a study of Western aid to the USSR and Russia. The first important conclusion of the study: There has been almost no aid yet. As little as a fourth or a fifth of the $80 billion the West extended to the USSR-Russia in the recent three and a half years could be called aid in the real and internationally accepted sense of the word. This is gratis aid or easy credits that are at least 25 percent gratis funds. A considerable part of the aid is payments for the withdrawal of our troops from Germany.

The balance of funds usually called by politicians as aid are the usual credits which are, more often than not, conditional on buying goods and services from the countries that provide the credits. Vice Premier Boris Fedorov aptly described them as "aid to Western exporters that sell goods to Russia." Interest has been paid on these credits, and part of them have been returned.

The claim that there has been almost no aid yet is not meant to hurt our Western partners. They owe us nothing. And as long as they give us any kind of help, we simply owe them a vote of thanks. Both we and the West, however, ought to give up false ideas while mapping out future policy. The endless discussions about aid have given rise to two groups of myths. The one prevailing here is that Western countries have a political will to organize massive assistance to our reforms. The other prevails in the West, where it is believed that aid is flowing freely but that Russia is a maw where whatever you throw in vanishes.

People here in this country mainly feel annoyed when analyzing the way Western aid was used here in recent years, and not just because funds coming from abroad were pilfered. Although that happened, the rumors of massive pilfering circulated here and abroad were exaggerated in many respects. Above all, funds were coming in unsystematically and spent thoughtlessly in many respects. The West had no single concept of how to provide aid and for what. Therefore, we were given what was most convenient to give from the internal policy point of view. The efficiency criterion was not taken into account. What we did was to accept what we were given, never giving a thought to how efficiently those funds were being used. As a result both Russia and the West ended up in a debt trap. The credits received have been largely spent on food.

Signs started to emerge before the Tokyo meeting that here and in Western capitals they started to reflect on not only the political aspect of the aid, but also on how it should be used—on whether it is needed at all in the shape it used to be provided, and if it is needed, then in which spheres. But many things remain unchanged. There is juggling with statistics unsupported by a single policy. Curiously, the size of sums they discuss veils a rather modest nature of new funds earmarked for Russia.

Clearly, Tokyo is just a stage on the road to devising a new concept for the economic interaction of the West and Russia. But even at this stage some of its key elements can be suggested.

1. It should be devised jointly with Russia and the West and proceed from sufficiently precise criteria. Even before starting jointly to devise it, it is necessary for Russia to formulate a more or less consistent strategy of its national development. It is to this strategy that a concept of aid for Russian reforms should be geared.

2. Economic and intellectual resources should not be turned over to the state but rather to its end users—private firms, enterprises, public organizations, training and science centers, or to those that can use these resources in the most efficient manner.

3. Aid should not go to the weak (here, of course, we are not talking about humanitarian aid) but to the strong and those who have already proven their initiative and ability to develop themselves.

4. Intergovernmental credits, especially food credits, should be cut back. Credits should not be received by the state but rather by enterprises and firms, with their property as collateral.

5. Credits should be substituted for by investments. However, no investment would be forthcoming unless guaranteed by the governments—foreign governments in the first place. They have hardly done this at all up to now. The readiness to guarantee investments would most probably be the touchstone to signal the real readiness to help. Russia too, of course, should offer foreign investors more advantageous terms rather than the same as it offers its national producers. Otherwise foreigners will not come.

Last, but perhaps not least, what we need is not help, but open markets: for those goods and services that we can sell relying on our experience, cheap labor, and relatively low-cost energy (it is going to remain cheaper in the future even after prices have been completely freed). These are primarily metals, armaments, and space technologies. Understandably, for our Western partners this would mean losing some of markets, and even erosion of a number of sectors. But then it is impossible simultaneously to support liberal reforms in Russia while pursuing pursue toward it an anti-liberal, protectionist policy.

Experts Dismiss Claims on Plutonium Black Market

PM0807170093 Moscow IZVESTIYA in Russian 9 Jul 93 First Edition p 1

[Viktor Litovkin, Vladimir Mikheyev report: "Britain Prepares To Explode a Plutonium 'Bomb' From Russia. Wait Till Tuesday..."]

[Text] Next Tuesday the British TV company ITN intends to explode a small bomb: The raw material will be plutonium of Russian origin. Let us not mystify the reader any further: We are talking about an explosive situation for which the "critical mass" is provided by the detective adventures of the well-known British journalist Roger Cook. In Moscow, a certain shady dealer offered him 25 kg of plutonium suitable for producing nuclear weapons.

As Central Television spokesman Peter Rushton stated, the British reporter was offered the opportunity to verify the high quality of the goods. He was given a "sample." A test at an unnamed Moscow laboratory showed: "There is no doubt that this plutonium is suitable for the manufacture of nuclear ammunition" (we quote P. Rushton).

However, Roger Cook did not try his luck any further. He did not go to the meeting with the plutonium dealer, he did not pay him a penny, but instead he went straight back to London, where his program is preparing to go on the air.

The commentary by John Hassard, a major expert from London's King's College, reminds us that the legacy of the Soviet nuclear potential is 200 tonnes of plutonium, which is now fully at the disposal of Russia. "Fully" at its disposal? "That is the danger... There is stray plutonium," the London expert claims. "But admittedly one must see the difference between a sample offered for testing and a 25-kg consignment."

Calculations show that this quantity is enough to manufacture four nuclear bombs.

The Russian experts whom we asked to comment on the REUTER report refused, alas, to discuss the matter seriously. Of course you need plutonium to make a nuclear bomb, they said, but not just any plutonium, it must be plutonium-239. That is an artificial isotope which does not occur in nature and can only be manufactured in plant conditions, in a reactor.

To manufacture a bomb you need fissionable material, a mass of 20 kg of uranium-235 or 5 kg of plutonium-239, but these alone are not enough. You also need special technology, know-how, and large production facilities, which only certain states have at present. The members of the "nuclear club" and those that are capable of joining it in the near future.

From a few grams of the laboratory substance—and the experts suggest that that is what could have been offered to the correspondent for analysis—to the bomb itself is a vast distance. You can frighten the man in the street with it, but you cannot do anything meaningful with it.

Apart from that, it was explained to us that the storage of fissionable substances at Ministry of Atomic Energy plants and Defense Ministry bases is organized in such a way that there has not yet been a single serious instance of the loss of any significant quantity of uranium-235 or plutonium-239. The system for accounting and storage has over many years been so carefully organized that the possibility of stealing nuclear weapons components has been reduced virtually to zero.

Not a single one of the furors created in the Western press over the so-called "illegal sale" of Russian uranium

and plutonium abroad has been confirmed, they say, although fears that such a thing could happen in a country where nuclear physicists, production workers, and scientists have been reduced to the poverty line are by no means groundless. At the same time, experts believe, this problem is often deliberately fanned. What lies behind such events is always the interests of world monopolies which deal in fissionable materials and do not want to allow a powerful competitor like Russia onto the world uranium market.

Whether that is so, only time will tell. Or at least, Tuesday of next week. ITN's colleagues at REUTER have succeeded in creating interest in the program. But the program is hardly likely to tell us the actual address of this "black market" in weapons-grade plutonium.

NATO Aide Addresses Seminar on Ties With Russia

LD0807201693 Moscow ITAR-TASS in English 1927 GMT 8 Jul 93

[By ITAR-TASS correspondent Aleksandr Smelyakov]

[Text] Moscow July 8 TASS—NATO Secretary General's aide for Political Issues, Gebhardt von Moltke, addressed a seminar "Russia and NATO in the 1990s" held in the Moscow Institute of International Relations in Moscow on Thursday [8 July].

The NATO official said that Russia, proceeding from its military and political potential, will undoubtedly take part in the settlement of all international problems. Moltke added that NATO was making plans for cooperation with Russia and hoped to reach mutual understanding.

The NATO official said that his visit was aimed at discussing issues of cooperation and mechanisms of interaction between NATO and Russia in the interests of ensuring security in Europe. He emphasised that the situation in the European continent has radically changed, adding that there were a lot of things to do yet to turn the region into a single and free territory.

He said that NATO was developing new relations with Russia and other countries of western and eastern Europe and the former Soviet Union. He said that NATO had stepped up the process of cooperation and partnership with countries of the former Warsaw Treaty Organisation.

Asked about the nuclear status of Ukraine, Moltke stressed the importance of ratifying and implementing the START-1 and START-2 treaties by the Ukrainian Parliament. Touching upon Russia's relations with Ukraine, Moltke expressed the hope that all contentious issues between them would be resolved by peaceful means.

Russia Working 'Intensively' for Peace in Abkhazia

LD0807171393 Moscow ITAR-TASS in English 1631 GMT 8 Jul 93

[By ITAR-TASS diplomatic correspondent Georgiy Shmelyov]

[Text] Moscow July 8 TASS—The recent increasenly frequent unfriendly remarks about Russia's stand in the search for ways towards a peaceful settlement of the Georgian-Abkhazian conflict can give rise only to bewilderment, Russian Deputy Foreign Minister Boris Pastukhov told ITAR-TASS on Thursday.

Russian representatives at the three-sided talks "intensively works for a peaceful resolution of the conflict".

As far as the threat expressed by the Caucasian Peoples' Confederation "to open a third front" is concerned, the deputy minister believes that such statements are designed only to "add fuel to the fire" at a time when the situation in the region has become aggravated and an active search for solutions is under way and when "a step forward has been made" towards resolving the problem, such calls may only complicate the situation and do not meet the genuine interests of the sides, Pastukhov emphasised.

The press service of the Georgian embassy in Moscow made available to ITAR-TASS a statement which Aleksandr Kavsadze, chief Georgian delegate at the Moscow talks, handed over to the delegation of the Gudauta side.

The statement points out an escalation of combat operations in the area of Sukhumi and describes the terms which are being suggested by the Gudauta representatives at the talks as "obviously unacceptable".

"Against this background, the talks will hardly be fruitful because all that does not contribute to diminishing distrust between the negotiating parties, the Georgian statement observed.

"The Georgian side hopes that the intermediary—the Russian Federation—will take a stand which will make it possible effectively to continue and successfully complete the talks on cessation of fire in Abkhazia," the statement said.

Georgian Statement Urges Russian Efforts

LD0907095593 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 9 Jul 93

["Statement" by the Georgian delegation to the cease-fire talks in Moscow delivered to the Abkhazian delegation; date not given—issued by the press center of the Georgian Embassy]

[Text] While negotiations on the cease-fire in Abkhazia and the mechanisms of monitoring adherence to it are under way in Moscow, the escalation of combat action continues. Sukhumi is bombed barbarously every day,

civilian casualties are growing, and the town has been turned into ruins. Thus, it is obvious that the Gudauta side is using the process of negotiations as a veneer to hide its aggressive intentions from the world. At the negotiations, the Gudauta side is trying its best to wreck the agreement by putting forward unacceptable conditions. It is doubtful the negotiations will be fruitful against such a background as all this is enhancing mistrust between the negotiating sides.

The Georgian side strongly protests against unjustifiably eliminating the civilian population of Sukhumi and holds the Gudauta side responsible for the possible consequences. The Georgian side hopes that the mediator, Russia, will assume a stance that will make it possible for the negotiations on the cease-fire in Abkhazia to continue fruitfully and end successfully.

[Signed] The press center of the Georgian Embassy

Autonomy Within Russia Viewed

LD0807144293 Moscow Mayak Radio Network in Russian 1100 GMT 8 Jul 93

[Text] Today, autonomy within Georgia does not suit the Abkhaz side. It strives for the declaration of Abkhazia's full sovereignty and for it to become part of Russia. Nikolay Medvedev, member of the Russian Supreme Soviet who heads a delegation of Russian people's deputies, told an RIA correspondent. Nikolay Medvedev noted that the Russian Supreme Soviet adopted a decision last September that proposed Abkhazian autonomy within Georgia. That would be completely in line with international and legal norms regarding ethnic minorities, noted the parliamentarian, but the Georgian side has always strived for the establishment of a unitary state. As a result, the clause concerning the withdrawal of Georgian troops from Abkhazia has still not been implemented and now the moment has been missed.

Head of Mediatory Mission Comments on Karabakh Agreements

LD0807120793 Moscow ITAR-TASS in English 0921 GMT 8 Jul 93

[By ITAR-TASS correspondent Sergey Ryabikin]

[Text] Moscow July 8 TASS—Despite a number of peace initiatives, the intensity of combat operations in Nagorno-Karabakh has failed yet to be reduced, Vladimir Kazimirov, ambassador at large and head of the Russian mediatory mission on a peaceful settlement in Nagorno-Karabakh, told ITAR-TASS today.

Russia has taken a number of steps with the aim to bring down the escalation of combat operations, he said. Thus, on June 17 Baku and Stepanakert reached agreement about the termination of the shelling of Agdam and Stepanakert. On June 27 an agreement was signed on the termination of offensive operations, artillery and missile shelling and air bombing at the two sectors of the front—near Agdam and Mardakert—which evoked the greatest concern of the two conflicting parties.

It should be pointed out, Kazimirov continued, that those agreements were not put into effect in full volume. The two sides made some protests and mutual accusations. However, the military command of both sides confirms that the overall intensity of combat operations was brought down in the areas included in the agreements. The use of military hardware was also reduced. "One cannot say that those efforts were absolutely fruitless, but, of course, they were not quite satisfactory," Kazimirov pointed out.

Russia suggested that the two sides prolong the agreements and extend them to other conflict areas which are also a source of concern, specifically, the areas of Fizuli and Gadrut. However, none of the sides has responded to the proposal so far.

According to Kazimirov, Mario Rafaelli, chairman of the CSCE Minsk conference, is going to visit Nagorno-Karabakh. Between July 9 and 13 he will visit Baku, Yerevan and, probably, Stepanakert.

Salvation Front Threatens Vigilante Units for Estonia

LD0807142293 Moscow ITAR-TASS World Service in Russian 1317 GMT 8 Jul 93

[By ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow, 8 Jul—The political council of the National Salvation Front issued a statement today on the situation of the Russian-speaking population in northeast Estonia. The document expresses puzzlement at the fact that the reaction of the Estonian Government was not facilitating "the legitimate aspiration of Russian people to exercise their right to self-determination." "The actions of the municipal authorities in Narva and Sillamae," the document says, "arise entirely from the people's right to self- defense in conditions of utterly flagrant genocide on the part of Estonian nationalists."

The National Salvation Front "appeals to all patriots of Russia to give moral and material assistance to the residents of Narva, Sillamae, and all of northeastern Estonia," which are predominantly inhabited by the Russian-speaking population of Estonia.

In conclusion the document contains a statement that "in the event of attempts being made by Estonian authorities to exert force on the Russian population of Estonia, the organization of voluntary detachments to assist our brothers in defending their legitimate rights and interests will be started."

Full Payment of Baltics Debt for Gas Supplies Demanded

LD0807171893 Moscow ITAR-TASS in English 1517 GMT 8 Jul 93

[By ITAR-TASS correspondent Pavel Gordeyev]

[Text] Moscow July 8 TASS—A total of 10 million dollars have been remitted to the current account of the Russian "Gasprom" joint stock society by the Baltic countries on Thursday [8 July] to repay their debts for supplies of Russian gas, Vyacheslav Sheremet, "Gasprom" first deputy chairman, told ITAR-TASS today.

He pointed out that the remitted funds are only an inconsiderable part of the total amount of debt.

According to the "Gasprom" Statistical Department, today, the total debt of Estonia, Lithuania and Latvia for gas supplies amounts to 42 million dollars, not counting fines. Officials of the Gasprom said that gas supplies would be resumed after this amount is repaid.

Supplies of Russian gas to the Baltic countries were fully stopped on June 28. Currently, enterprises of these republics, which consume 25 million cubic meters of gas daily, are operating until gas remaining in the cut off pipeline runs out.

Exporter Threatens To Halt Nuclear Fuel Supply to Lithuania

LD0907112093 Moscow Radio Rossii Network in Russian 0100 GMT 9 Jul 93

[Text] Russia may stop supplies of nuclear fuel to the Ignalina nuclear power station in Lithuania. This is due to the republic's debt for nuclear fuel. At the present time Lithuania owes approximately $30 million. The Russian joint stock company Techsnabexport has sent a telegram to Lithuania's Ministry of Power Engineering demanding that the debt be paid.

Grachev Says Baykonur Must Be Russian

PM0707101793 Moscow KRASNAYA ZVEZDA in Russian 6 Jul 93 pp 1,3

[Yuriy Mamchur and Mikhail Rebrov report: "Is Baykonur To Be a Russian Military Installation? The Question Remains Open, But the Mood of the Cosmodrome's Officers Is Unequivocal..."]

[Text] Baykonur-Moscow—In recent days Baykonur, the planet's first space port, has once again found itself the center of attention. The Soyuz TM-17 spacecraft with a Russian-French crew was launched from here 1 July. This event, significant in itself, provided logical grounds for a meeting between Oleg Soskovets, first deputy chairman of the Russian Federation Council of Ministers-Government, and Army General Pavel Grachev, minister of defense, on the one hand, and Sergey Tereshchenko, Kazakhstani head of government, and Army General Sagadat Nurmagambetov, leader of the republic's military department, on the other. As KRASNAYA ZVEZDA has already reported, on that day the defense ministers signed an agreement on the reciprocal manning of Russian forces stationed on the friendly state's territory—which can only be welcomed in every possible way. At the same time the Kazakhstani side seems to have been not entirely ready to discuss the main issue—that of the fate of Baykonur and the city of Leninsk. An accord was reached to set up expert groups to settle disputed issues.

We would like to believe that this work will not drag on too long: The present state of the cosmodrome and of Leninsk is so dramatic that, unless prompt, decisive, and sensible measures are taken, the process of the collapse of a unique scientific and technical complex could become irreversible. The uncertainty over status and subordination, the interruptions in funding and supplies, the curtailment of space programs, the decrepitude and disruption of municipal services, the exacerbation of the crime situation, and, finally, people's total uncertainty about the future are doing their dirty work. The worst shortage here today is that of containers. No, not the ones for orbiting stations but just the most ordinary railroad containers. The great exodus of lucid minds and industrious hands from the space port is spreading and gathering momentum month by month.

Officers admit that almost anyone who had any ties at all with Russia, Ukraine, or Belarus is leaving.... Once the superpower's brainchild and pride, where life was in full swing and the inquiring minds of legendary scientists, designers, and engineers struggled to resolve universal problems, Leninsk is increasingly falling into decline. There are few apartment blocks without the gaping window frames of vacant apartments. And yet the city is just 37 years old. The age, you might think, of its prime and maturity....

The first stone of the No. 5 Range of the Ministry of Defense of the former USSR was laid in the desert, not far from the remote flag station of Tyura-Tam. It would not be out of place to remind you that the decision on the construction site was adopted not without hesitation. Options were considered: the shore of the Caspian Sea, a rayon in Mordovia, and an uninhabited zone in Kazakhstan. They opted for the latter. The land here is low-grade, security problems are resolved more simply, and the relative proximity to the equator provides an energy boost when launching spacecraft.

The closed city, which was named Leninsk, grew up in a short space of time. Much has been written, photographed, and said about who lived there, how, and what they did. The 100,000-strong population was made up mainly of the families of military specialists who worked in the cosmodrome's launch complexes, the computer center, the ground measuring center, a number of special plants, and so on. More than 1,200 installations and

structures were constructed at Baykonur through the efforts of what was then the entire unified country. Servicemen constructed in the city not just 1 million square meters of housing but also 10 schools and more than 30 preschool establishments. Thanks to their efforts above all, Leninsk today has a technical college, and a branch of the Moscow Aviation Institute, a military hosptial, and a city hospital have been opened there. The city's birth necessitated the construction of a heat and electric power station and a bakery plant and the laying of hundreds of kilometers of water pipes and heating and sewerage networks.

Given our present inflation, it is hard to speak of the value of the fixed capital, but even what we have listed is enough to give you an idea of the great bulk and very complex mechanism of Baykonur and the city of Leninsk. Of the colossal costs and the professional standards required of cadres for its normal functioning and the maintenance of its vital activity. Can Kazakhstan manage this? Is it capable of operating on its own, for example, the Energiya-Buran launch complex and the Proton and Soyuz launch sites (incidentally, just one of the four Proton launchers is in working condition, and its warranty period has been extended repeatedly)? We believe the answer is self-evident. Particularly if you consider that to date the cosmodrome resolves tasks almost 100-percent in Russia's interests and that Russia itself operates the main installations and provides the lion's share of the funding and material supplies.

Meanwhile, this circumstance did not prevent Kazakhstan in 1992 from subordinating to itself all the state security and military prosecutor's office organs and now also the internal affairs organs and organs of the cosmodrome's military services—which runs counter to the agreement of 2 October 1992. Is it possible to speak here of guaranteed protection for the rights of Russian specialists and servicemen? It is no coincidence that the Russian Defense Ministry is offering to return the aforementioned services and organs to Russia's jurisdiction for the purpose of maintaining the cosmodrome's normal functioning.

As far as is known, the Kazakhstani side in turn deems it possible to lend the status of joint formations to the cosmodrome's military formations and to create a united command and, along administrative lines, as an interstate organ for the management of Baykonur, a coordinating council headed by a deputy prime minister of Kazakhstan. In the opinion of the leadership of the Russian Federation Defense Ministry, such a solution would finally deprive the cosmodrome of its status as a Russian installation—which could lead to a social explosion among the city's residents and to the disorganization and wrecking of the fulfillment of Russian space programs. It is not hard to see for yourself that the state of the military and civilian personnel and the population has been taken to a dangerous level. You have only to visit the spot and talk with people.

Another important point. According to a norm which is generally accepted in the civilized world, whoever invests money in some projects must also control them. In this connection there has long been an urgent need for an interstate agreement which would assign the ownership rights to newly created projects, buildings, technology supplied, equipment, and other property to the side which provides the finance. We believe that the Russian military department is perfectly justified in proposing to regard such an agreement as being valid not from the moment it is signed, as Kazakhstan insists, but from 31 August 1991, in other words from the moment the latter adopted the law on the transfer of the former Union's property to its jurisdiction.

It could, however, happen that there will soon be no "newly created projects" here at all. After being transferred to Kazakhstan's jurisdiction, Baykonur's military construction units were reduced from 30,000 to just over 5,000 men and today ensure only the construction of sociocultural and domestic projects in Leninsk. As a result, the cosmodrome's infrastructure is falling into disrepair. An extremely adverse social situation prevails in the units—which has led to the sadly well-known revolts, as a result of which great material damage was done to barrack and staff buildings.

In this situation it would be expedient to transfer the corresponding military construction units to Russia's Military Space Forces and to transform them into repair and reconstruction units. Or to form analogous Russian units. For the full-blooded existence of the latter we ought to draw up the necessary international legal conditions and enlist into them either only Russian citizens on voluntary principles or according to the mixed principle or grant Kazakhstani citizens the opportunity to serve in such units.

The problem of resettling from Leninsk the servicemen who have served the prescribed service times and members of their families is extremely acute in the city. There are 1,116 such families here. Of these, 759 are to return to Russia, 238 to Ukraine, and 84 to Belarus, and 35 are to move to other places of residence in Kazakhstan. But whereas it is planned to construct 500 apartments in Russia for this purpose in 1993 and 30 in Kazakhstan, on the other hand Ukraine and Belarus have virtually abandoned their countrymen to the mercy of fate: They are agreeable to constructing housing for Baykonur veterans on their territory only at the expense of... Russia's Military Space Forces. Totally innocent people are already losing hope that this question will ever be examined by the Supreme Soviets and governments of their native republics.

In short, Baykonur is being beaten down by malicious fate, but it is standing, holding on with its last ounces of strength, and even launching foreigners into space.... You will ask: Why is it standing? Why, given the universal breakdown and disorganization [razdray], is Russia still a great space power?

This is thanks to the honor and dignity of Russian officers. At the defense minister's working meeting with the command personnel of Baykonur's military formations they said without beating about the bush: Whoever places them under whatever jurisdiction, and to whatever flags they are assigned, they are and will be officers of Russia just the same. Yes, Baykonur can be cut off from power transmission lines, and the deep pumps lying 200 meters under the ground can be put out of commission. It can be crushed with taxes and duties. Be deprived of railcars. Not be paid money (the Russian Federation Ministry of Finance owes construction workers alone 163 billion rubles), and it is better not to venture into the street in the city of Leninsk after dark....

But every day 1,067 combat crews are ready to perform tasks "relating to the cosmodrome's purpose," to put it in specific language.

Army General Pavel Grachev, Russian Federation minister of defense, spoke unambiguously of this purpose. Baykonur Cosmodrome must be a Russian military installation. This certainly does not rule out joint work, primarily with Kazakhstan and other CIS countries which wish to assimilate space programs. We will conduct talks calmly and methodically with the Kazakhstani side on Baykonur's status and future fate.

Polish Defense Minister Visits General Staff Academy

LD0807184093 Moscow ITAR-TASS in English 1634 GMT 8 Jul 93

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow July 8 TASS—Polish Defence Minister Janusz Onyszkiewicz, currently on an official visit to Russia, visited on Thursday the General Staff Academy of the Russian armed forces where he met with the academy's teaching staff. The meeting was centred on problems of strengthening the defence capability of Russia and Poland within the framework of European security. Later in the day, the Polish defence minister visited the location of the Motorized Infantry Brigade of the Moscow Military District.

On Friday, the last day of his staying in Russia, Onyszkiewicz is expected to tour the town of Sergiyev Posad outside Moscow where he is to see masterpieces of Russia's church architecture and meet with Russian Orthodox clergymen.

Later on Friday, the minister is to leave for Poland.

Meets With Shaposhnikov

LD0807185293 Warsaw Radio Warszawa Network in Polish 1700 GMT 8 Jul 93

[Report by correspondent Wladyslaw Bulhak from Moscow]

[Text] [Announcer] Polish Defense Minister Janusz Onyszkiewicz met Air Marshall Yevgeniy Shaposhnikov, secretary of the Security Council of the Russian Federation, in Moscow today.

[Bulhak] After the talks with the Polish minister were over, Marshal Shaposhnikov said that there had been practically a total freeze on Polish-Russian cooperation in military technology over the past two years. Both recognized that this practice must be abandoned and new cooperation mechanisms worked out that take account of the changes that have occurred in the world political arena in recent years. This is also the view of Russian Defense Minister General Pavel Grachev, Shaposhnikov said. He informed correspondents that the planned Polish-Russian cooperation will include an exchange of cadres and military think . g. It also envisages the development of military contacts at all levels and the aforementioned cooperation in military technology.

A news conference by Minister Onyszkiewicz has just finished at the Polish embassy in Moscow, in which he summed up the results of his visit to the Russian capital.

Foreign Ministry Official Plays Down Slovak Border Incident

LD0507145793 Prague CTK in English 1427 GMT 5 Jul 93

[By CTK correspondent]

[Text] Moscow, July 5—Reports of beatings of Russian citizens by guards at the Slovak border crossing Cierna Nad Tisou last week were exaggerated, Russian Foreign Ministry official Vasiliy Vinogradov told CTK today.

According to ministry sources, the incidents, which were reported in the Moscow press, were isolated cases which were apparently blown out of proportion by Aleksey Kargashin, Moscow district parliamentary deputy and main source of information for the newspapers IZVESTIYA and KOMMERSANT, Vinogradov said.

No pogrom occurred, he said, adding that the conflicts had nothing to do with the new Russian passports, as the media had reported, but rather were due to invalid invitations issued by Slovak bodies.

Slovakia had announced that as of July 1 the regulations governing entry onto its territory would be tightened and that all Russian citizens would need new documents authorising entry into Slovakia. Border guards began demanding these documents June 20. Vinogradov said that Russian citizens could not have known about the new regulation, as Slovakia had not announced it far enough in advance.

IZVESTIYA and KOMMERSANT wrote last week that Russian citizens were being beaten with clubs, locked into station buildings and then expelled by Slovak border guards.

Vinogradov said that the Russian Foreign Ministry is investigating the incidents. The ministry's charge d'affaires in Bratislava will meet with Slovak border officials on Tuesday.

No Chinese Justifications For Ship Seizure

LD0807133093 Moscow Radio Rossii Network in Russian 1000 GMT 8 Jul 93

[Text] It does not matter how many republics there are in Russia, it will defend the interests of its citizens, no matter who they are: from the Urals, the Maritime Kray or Don Cossacks. The ITAR-TASS agency reported that a new attack on a Russian vessel took place in the East China Sea on 7 July. The Valeriy Volkov motor ship with a freight of metal was going from Vladivostok to Singan.

Our employee Irina Akhiyeva asked Vladislav Verchenko, the head of the Chinese Department of the First Administration for the Asian and Pacific Issues of the Russian Foreign Ministry, to comment on the situation.

[Akhiyeva] Vladislav Verchenko has reported that to date there have been about 10 such incidents involving Russian vessels in the coastal waters of China, but one cannot say that they are all similar. One of the Russian vessels was detained for the non-payment of debts; its owner did not settle debts with the Chinese side, and the vessel is being detained as security. In a different situation a Russian vessel was detained when it was sailing under the flag of Panama and caused great damage to a plantation of sea cabbage in the territorial waters of China. The latest—rather notorious—incident happened to the Soyuz-4 vessel. It was also fired upon and taken under arrest. In this case the Chinese side apologized. However, according to Vladislav Verchenko, Russia did not get an intelligible answer to the question regarding the reasons for the detention of the Soyuz-4 vessel.

The head of the Chinese Department of the Russian Foreign Ministry, also stressed that no one doubts that those who violate the Chinese laws in its territorial waters should bear the responsibility. But everything should be done legally, and not by force. The attention of the Chinese authorities was drawn to the last fact.

According to the information of the Russian Foreign Ministry, Chinese border guards took similar actions against Japanese commercial and fishing vessels. The attention of official Beijing has been drawn to this problem several times at a fairly high level, but the Chinese authorities did not present intelligible enough grounds for these unlawful actions, Vladislav Verchenko said.

In conclusion, I would like to add that usually the PRC official sources justify border guards' actions by the campaign for combating smuggling. But I think that even such a noble goal does not justify firing on unarmed vessels.

Tatarstan, South Korea To Cooperate in Car Production

LD0807145693 Moscow ITAR-TASS in English 1220 GMT 8 Jul 93

[By ITAR-TASS correspondent Nikolay Sorokin]

[Text] Seoul/Moscow July 8 TASS—South Korean company "Daewoo" has agreed to sign an important contract with Tatarstan (a Russia republic) on the production of Korean "Lemans" cars in the city of Yelabuga, ITAR-TASS has learned from Kim U-chung, chairman of the company.

"We attach particular importance to one of the first contracts in Russia with the Republic of Tatarstan", said the head of the firm. The contract would first of all entail completing construction of the Elaz-Yelabuga car factory. 1.2 billion dollars are being invested in the project: half by "Daewoo", the other half by Russia. Kazakhstan, Uzbekistan and Ukraine may join the Elaz consortium.

Forty per cent of investments are being directed at the construction of the enterprise in Yelabuga, another 40 per cent in the CIS, for the organisation of the production of accessories, the rest is going on buying units and parts for cars from overseas.

The Yelabuga production line will at first produce Korean "Lemans" cars which are recognised to be of a high international standard. By the beginning of serial production the designers will produce an even more economic model with an improved design.

The other day a delegation from the Kazan helicopter production association was in Korea and a protocol of intentions for cooperation was signed, added Kim U-chung. Kazan will send Korea 12 craft each year, and a total of 100 MI-8P and MI-17-1V helicopters.

"Daewoo" will produce the assemblage and some of the parts at their helicopter factory. The Klimov design office (St. Petersburg) is also participating in the contract, building a new engine for this batch, as well as the Moscow Mil design office.

In Kazan "Daewoo" intends to set up a joint enterprise to produce 100 thousand colour televisions, tape recorders, video recorders and car phones each year.

In answer to the question why South Korea had chosen Tatarstan, the chairman of the company answered that apart from the republic wishing to improve its economy, there are some advantages: the unfinished car industry, qualified personnel, Tatarstan's advantageous location in the middle of the CIS market and the convenient transport flyover.

The Korean businessman said in conclusion that they were expecting a Tatar delegation to visit Seoul this coming week, headed by its President Mintimer Shaymiyev. He was also confident that all problems to do with the contract would finally be resolved.

Media & Political Issues

Vologda Oblast Radio, TV To Stop Broadcasting 13 Jul

LD0807130893 Moscow Radio Rossii Network in Russian 1000 GMT 7 Jul 93

[Text] Before heading off to Tokyo, Boris Yeltsin called on Sverdlovsk and Vologda oblast soviets to suspend their decisions on transforming their regions into republics, describing these decisions as untimely. By the way, residents of Vologda oblast may soon find themselves unable to obtain information about the development of events in the region. The oblast's radio and television center has warned that it will stop broadcasting from 13 July. Similar decisions have also been made in Murmansk and Archangel oblasts, the Karelian republic and St. Petersburg.

Radio Transmitters Cut Off Due to Non-Payment

LD0807155193 Moscow Mayak Radio Network in Russian 1300 GMT 8 Jul 93

[Text] Now a report that we have received from the deputy chairman of the Ostankino TV and Radio Company: Owing to untimely financing by the company for expenditures on leasing radio technical facilities, the Ministry of Communications has been switching off transmitters of the Far East radio centers. As a result of this, listeners in East Siberia were deprived of Mayak, Radio Rossii, and Radio Yunost programs.

Today, beginning at 1520, the transmitters of the big radio center in Kaliningrad Oblast were switched off. The power men cut off the electric supply to the radio center. Now the people of Kaliningrad Oblast and all the countries of the Baltic will be deprived of radio broadcasts.

Shortage of Funds May Cause Ostankino To Stop Broadcasting

LD0807190093 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 8 Jul 93

[From the "Novosti" newscast]

[Text] We would like to tell our TV viewers that this year's estimated expenses of Ostankino, for example, approved by the Finance Ministry, total 106 billion rubles. However, less than half of this amount has been supplied by the budget—52 billion. This means that the decision by the Russian Supreme Soviet that does not permit state-owned TV companies to raise some extra money, may result in the TV viewers and radio listeners being left without their usual programs by September.

Yeltsin Loses, Khasbulatov Gains in Opinion Poll

MK0807122393 Moscow FEDERATSIYA in Russian No. 75, 8 Jul 93 (signed to press 7 Jul) p 1

[Report by Vasiliy Ustyuzhinov of the Supreme Soviet's press service in "Opinion" column: "Guseynov Is Popular in Russia"]

[Text] The results of two exclusive polls conducted by the analytical service of the journal VOZROZHDENIYE have revealed some curious facts. On 20 June and 1 July residents of six districts of Moscow responded to the question: "Which politician do you trust the most?" Yeltsin's rating as of 20 June compared with 1 July has dropped from 23 to 21.6 percent, and Rutskoy's from 21.3 to 20.6 percent (in July it moved to third place). By contrast, Khasbulatov's rating has grown from 19.6 to 20.8 percent (rose to second position). Zorkin's rating increased from 11.3 to 12.1 percent (maintaining fourth position), and Chernomyrdin's to 7.6 from 6.3 percent (also keeping his place). Volskiy's credibility has fallen from 5.3 to 3.8 percent (yet he has kept his place in the first six), and Skokov's from 3.8 to 3.2 percent (moving a line down). Aleksiy II, losing a mere tenth of a percent (2.1 to 2.0), has nonetheless moved from eighth to tenth position. Shakhray had 2 percent in June but in July he did not make it into the first 10. On the other hand, two new names have appeared in it—the mutinous Guseynov, colonel-turned-prime-minister of Azerbaijan, with 3.5 percent (seventh place); and the disgraced Admiral Kasatonov, former commander of the Black Sea Fleet, with 2.8 percent.

Signs are that the airplane scandal (in which the parliament speaker was banned from taking off from Chkalovskiy airfield) has cost the president dearly (losing 1.4 percent of Muscovites' support). By contrast it has "earned" the Supreme Soviet chairman 1.2 percent. As for the appearance of two military men, it is symptomatic. With Rutskoy also in the list, as well as lobbyists of the industrial generals (Skokov, Volskiy, and also Chernomyrdin), Russians' readiness for a tough self-determination, should the problems of state disintegration and social stratification aggravate, is manifesting itself with obvious clarity.

Cabinet Leaders' Activities Reported

PM0807133393 Moscow ROSSIYSKIYE VESTI in Russian 8 Jul 93 p 1

[Unattributed feature: "Executive Branch Monitoring"]

[Text] **Meetings, Talks, Sessions**

Government Head Viktor Chernomyrdin flew to Severodvinsk. The premier will undoubtedly pay great attention to the "Northern Machinebuilding Enterprise," which is the main founder of the "Rosshelf" Joint-Stock Company. This company has won the right to explore the major Shtokmanovskoye gas condensate field in the Barents Sea. At the moment the "Northern

Machinebuilding Enterprise" is tackling the difficult tasks of conversion. The day before the Russian premier met with the leadership of "Atommash."

First Vice Premier Oleg Lobov took part in a meeting of the CIS economy ministers. They discussed the restoration and development of Commonwealth economic ties and also resolved problems of collaboration between industrial enterprises in market economy conditions.

First Vice Premier Oleg Soskovets was scheduled to hold a meeting of the Commission for Industrial Policy and sign Russian-Cuban documents that day. But, as the first vice premier's apparatus said, he fell ill on that day.

First Vice Premier Vladimir Shumeyko is on vacation until 11 July.

Vice Premier Boris Fedorov met with the North Ossetian prime minister and then took part in the launch of the Association of Privatized and Private Enterprises.

Vice Premier Anatoliy Chubays is on vacation.

Vice Premier Aleksandr Shokhin worked with experts on an EC partnership framework treaty.

Vice Premier Yuriy Yarov went to the "Podmoskovye" Sanatorium, where a plenary session of the joint Russian-Vietnamese "Vyetsovpetr" enterprise council was being held.

Vice Premier Aleksandr Zaveryukha is on an official trip to Britain, where he is taking part in talks on investment credits. The talks are taking place during the Royal Agricultural Show.

Vice Premier Sergey Shakhray tackled current issues. In the evening he attended a reception at the President Hotel to mark the registration of the All-Russia Association of Privatized and Private Enterprises.

Rutskoy Says TV Program Was 'Political Farce'

PM0807185093 Moscow PRAVDA in Russian 9 Jul 93 p 1

[Telephone interview with Vice President A. Rutskoy by correspondent Georgiy Ovcharenko 8 July: "Aleksandr Rutskoy: 'It Was a Political Farce'"]

[Text] PRAVDA's correspondent called Russian Federation Vice President A. Rutskoy yesterday and asked him to answer some questions. We publish the text of the conversation below.

[Ovcharenko] Aleksandr Vladimirovich, Ostankino Channel One screened a feature with the participation of Attorney Makarov and a number of other officials. How do you assess this TV salvo and what lies behind it?

[Rutskoy] I knew beforehand that the program was in preparation. There are decent people even in television today. The program itself, as I understand it, was conceived as a political detective story. The authors' task—and Makarov was only executing other people's will—was to drop meaningful hints about myself, V. Barannikov, and other officials and social organizations. Frankly, this program did not have the effect of a TV salvo. The political detective story patently failed to work out, too. What we saw was more like a political farce.

[Ovcharenko] What were the program's authors trying to do, in your view?

[Rutskoy] It is quite obvious that the program's aim was to whitewash Shumeyko and at the same time Poltoranin, who, according to the statement of an independent prosecutor's office group, have caused the state substantial damage through their actions. Far from this aim being achieved, the effect was largely counterproductive.

[Ovcharenko] Let us analyze it, what was offered for the attention of millions of TV viewers on the evening of 7 July?

[Rutskoy] First, a recording of a telephone conversation between two dubious individuals whose activity in the economic sphere has for a long time been arousing justified interest among the relevant Russian departments. One participant in the conversation was Yakubovskiy, a man close to Shumeyko who has repeatedly carried out dubious commercial and financial operations with the blessing of the first vice premier. Moreover the first vice premier went to a lot of trouble to ensure that in the course of a week, in the summer of last year, the "commercial lawyer" Yakubovskiy moved up from lieutenant to colonel, received lofty official status, and nearly became a general.

[Ovcharenko] Incidentally, Aleksandr Vladimirovich, the program was structured in such a way that many readers are already calling the editorial office and asking: Was it Rutskoy himself talking with Yakubovskiy on the phone?

[Rutskoy] Impossible. I have never met Yakubovskiy and have never spoken with him on the telephone. I only know of him from the documents that have appeared in the press, but let us get back to the program.

Something else is also surprising. An indistinct conversation between dubious businessmen formed the background for arguments and generalizations by high officials in the president's administration. I am referring to Control Administration chief Ilyushenko and Attorney Makarov, who was appointed a few days ago, by presidential edict, to the post of chief of the administration responsible for the activity of the Security Council Interdepartmental Commission for Combating Crime and Corruption. I think that by appearing on screen in that company Makarov not only completely discredited himself as the new organizer of the struggle against corruption, but also discredited the president, whose latest cadre appointments look increasingly dubious. But then Makarov has demonstrated convincingly that defending criminals, first and foremost those engaging in

corruption (remember Churbanov and Sushkov), is, for him, the professional norm and his main trade. By all appearances, in his new post too he intends to act in precisely this manner.

[Ovcharenko] What can you say about A. Makarov's accusations against the "Rebirth" Foundation?

[Rutskoy] Attorney Makarov has repeatedly hinted meaningfully about the supposedly unauthorized activity of the "Rebirth" Foundation and complained that the Supreme Soviet is supposedly standing in the way of an investigation. I would like to remind everyone who is interested in the subject that B. Yeltsin was president of the foundation. The foundation worked on the basis of programs approved by B. Yeltsin and Prime Minister I. Silayev. Moreover the foundation's programs were coordinated with ministries and departments. During the foundation's period of activity it did much in the social sphere. The foundation's present leadership should, in my view, publish the full facts about the work done.

On the basis of the results of an investigation of the foundation's activity by a Supreme Soviet commission, to my knowledge, certain shortcomings were revealed. In order to obtain an objective assessment, the materials were sent to the Russian Federation Prosecutor's Office.

[Ovcharenko] Aleksandr Vladimirovich, what is the fate of the cases you made public?

[Rutskoy] As far as I know, certain additional facts have been revealed testifying to corruption on the part of a number of officials. Let us not intervene in the course of the investigation, let us leave it to the experts and professionals.

In conclusion, I would like to draw attention to another point. In my view, the mass media under the control of Poltoranin's Federal Information Center, and especially radio and television, are increasingly allowing themselves to become drawn into the unseemly business of a kind of courtroom defense of people whose activity is under investigation. Not only that, they try hard to cast aspersions on those politicians and political forces that are pursuing the struggle against corruption. You do not have to look far for examples. On 7 July Attorney Makarov played us the Yakubovskiy tape, and for 8 July they promise us the TV program "Moment of Truth," in which Karaulov will talk with this same Yakubovskiy. In order to increase the audience, they have moved this program to Ostankino Channel One. Thus, before our very eyes, virtually an entire campaign is being launched in defense of a "folk hero." I do not think this will benefit our society, which even without this kind of garbage is suffering increasing strain under the burden of socioeconomic and political problems, including corruption and crime.

There is another noteworthy point. Immediately after my Supreme Soviet speech 16 April, all kinds of people were seen on television: Sadykov, an expert on "red mercury"; Poltoranin, an expert on foreign ownership; Shumeyko, an expert on enterprise; and so forth. They were all given prime evening air time, but when it came to the special prosecutor's appearance, he went on the air between one and three in the morning. That is the graduated freedom of speech that we have now.

Rutskoy Addresses Civic Union Meeting in Moscow

LD0807221693 Moscow Russian Television Network in Russian 1900 GMT 8 Jul 93

[From the "Vesti" newscast]

[Text] Civic Union's Moscow organization expressed deep concern today regarding the state of political and economic reforms in Russia. Almost everyone who spoke at the conference referred to the incompetence of the reformers and their lack of a transformation program.

Vice President Aleksandr Rutskoy, one of the leaders of Russia's Civic Union bloc who attended the conference, emphasized that the constitutional conference is deadlocked; 90 percent of what the president has proposed for the new constitution is a repetition of the old basic law. In addition, Rutskoy specified, it contains a mass of contradictions. Meanwhile, he noted succinctly:

[Begin Rutskoy recording] However much we complain to each other and whatever you and I suggest to the present government and president, it is useless. [end recording]

Rutskoy stressed that the Civic Union cannot ally itself with people who have emptied the pockets of the citizens and the state; Russia needs pre-term elections.

In view of the difficult economic situation in the country, Civic Union's Moscow organization today issued a program statement. The main element in it is the need to create an economic union of the four CIS states of Belarus, Kazakhstan, Ukraine, and Russia. The same program statement proposes that a referendum be held in the aforementioned countries to determine the attitude of their citizens toward this project.

Writer Criticizes Yeltsin Decisionmaking Group

MK0807124093 Moscow NEZAVISIMAYA GAZETA in Russian 8 Jul 93 p 1

[Sergey Kiryushin commentary under "Opinion" rubric: "Experts and Politicians. Their Separation Leads to Degradation of Management"]

[Text] The president signed edict No. 947 "On the Expert Council under the Council of Ministers—the Government of the Russian Federation" on 24 June. Citing the need to ensure expert appraisal of major socioeconomic programs submitted to the Council of Ministers—the government of the Russian Federation, the president reorganized the Expert Council under the

Russian Federation president as the Expert Council under the Council of Ministers—the Russian Federation Government.

The promulgation of this edict marks a new stage in the formation of the president's expert-analytical entourage. Meanwhile the situation in this area is not very favorable.

Up to now the presidential council established under presidential Edict No. 273 of 23 February 1993 (Appendix 1) has not been formed, although people assigned to this council have received appropriate credentials. Up to now the personal composition of the Council on Cadre Policy under the Russian Federation president, founded in line with Edict No. 848 of 3 June 1993 (specifying that this composition be announced within a week), has not been announced. After Yu. Skokov, the analytical departments of the Security Council inherited by Marshal Shaposhnikov remain unmanned and virtually paralyzed. The role of analytical centers created in the presidential administration under the same Edict No. 273 remains purely nominal so far.

And although the Expert Council under the president, which until recently was headed by Oleg Lobov, was never very conspicuous, its virtual elimination from the president's administration will further weaken the already imperfect expert-analytical logistical base of the state decisionmaking system in Russia and personally of President B. Yeltsin.

Furthermore the edict reaffirms, as it were, that the Expert Council's previous existence did not have any serious grounds but was conditioned exclusively by O. Lobov's personal closeness to the president, who created for his man a special body and a highly placed state post in it. Paraphrasing the words of the "shining light of all sciences," one is tempted to say: If there is a man, there is a need for the expert council; and if there is no man, there is no need for the expert council.

As is usual practice here, expert appraisal of socioeconomic programs will be directed by someone who was recently dismissed from a very responsible post, and moreover not for achieving any dramatic breakthroughs in implementing such programs. This is the way: If you cannot do it yourself, go ahead and teach others how to do it and assess their performance.

In fact the low effectiveness of intellectual support for the president (as well as for other leaders in this country) is due to the existing trend for making decisions on an individual basis, which has struck deep roots in the country's political culture. The dominating type of leader is still the "lone wolf" unaccustomed to relying on his expert-analytical entourage.

The preservation of this oriental despotic order of administration is fed by society's widespread unwillingness and inability to reckon with differing opinions, the continuing degradation of political institutions and atomization and individualization of political consciousness, and the people's growing indifference to politics owing to a kind of political agnosticism and the authorities' falling credibility.

Gorbachev Interviewed on Domestic Situation, Prospects

AU0907102793 Budapest NEPSZABADSAG in Hungarian 8 Jul 93 pp 1, 2

[Report on interview with Mikhail Gorbachev by Laszlo Lengyel in Moscow; date not given: "Russia Is Drifting With the Events"]

[Excerpts] [passage omitted] [Lengyel] Gorbachev started the rejuvenation and renewal of the administration in time; actually he started it as soon as he had the choice. Despite this, the most frequent criticism was that he was not firm enough. Looking back today, I sometimes understand the lack of confidence. What is your opinion? Where is the way out today?

[Gorbachev] It might turn out that Gorbachev was right after all. Indeed, there was no possibility to advance with real political forces against society.

The way out is what I started in 1988. If we remember the Central Committee meeting of January 1987, when we saw what comes from restructuring, namely democratization, so that the party should deal with its own affairs and we have to develop the reform of our economic, state administration, and the entire political process, the party nomenclature realized that all this would affect their fate and they began to suppress this process and took up a waiting position. [passage omitted]

We had to coordinate the processes started from above by the team of reformers with the initiatives coming from below, the people's mood and expectations. This never took place.

[Lengyel] What process could possibly start now?

[Gorbachev] I think that the "process" in this country can only move radically and with comprehensive revolutionary changes, in an evolutionary way, rather than in a revolutionary way. This is the most important task.

If you analyze the major goals of the main democratic trends, including that of Gorbachev, Yeltsin's group, or even Khasbulatov, you will not find great differences between them. Everyone is in favor of political pluralism. Everyone wants the equality of various forms of property and everyone supports the idea of a new federation. All of them recognize the right to free and independent thought and opposition.

But how to achieve such a society, a constitutional and civil society? The differences in views begin in pointing out the road leading to this.

I say that, when I was accused of lack of firmness, this was done from incorrect conclusions.

I recently met with French professors who tackled the issue differently. They said that, in their view, I was too hasty. After we discussed the matters, we came to the conclusion that we were probably too hasty in some cases, but in other cases we were perhaps too slow; if we think things over, perhaps the advance was too fast and the society could not fully digest the process and the new situation. [passage omitted]

Speaking about Russia's future, Gorbachev said that everything depends on the events of the coming months. There has been no reform whatsoever since June 1992; only the political forces have been struggling with each other. The reason for this is that they reached a point when certain concrete problems must be solved in order to be able to advance, namely the problem of inefficient enterprises, subsidies, credits, and taxations.

If these issues are not tackled with, everything would collapse: huge unemployment and economic collapse. The elimination of inefficient enterprises can lead to the elimination of a whole chain of production and viable enterprises could also become bankrupt as a result. Yetslin also understood this and despite Geydar's concepts and the resounding statements, they are not carrying out what they started in January. Russia has been drifting since June.

What are they planning now? To gain new strength by means of some kind of political manipulation in order to make a jump similar to the one in January. This will be the next adventurous step.

The solution lies in a coalition of sober minds. This coalition would remain in the center and would operate as a center. According to Gorbachev, centrism is not a "swamp" but rather the creation of a partnership, a social partnership and agreement.

Gorbachev continues to list himself among such center forces and has said that he was participating in their activity.

Military & Space Issues

More Than 12,000 Join Air Force on Contract Basis

PM0807134593 Moscow KRASNAYA ZVEZDA in Russian 6 Jul 93 p 2

[Report by Viktor Beltsov of the Russian Federation Air Force Press Center: "Russian Federation Air Force Reinforced by Contract Servicemen"]

[Text] The results of the first recruitment of contract servicemen into the Russian Federation Air Force have been summed up. Its ranks have been swelled by 12,358 people.

A very tangible reinforcement has come from civilian life—7,697 reserve servicemen. Contracts have also been signed by a further 2,429 people from among compulsory-service soldiers and sergeants. The weaker sex has not lagged far behind the men—2,232 women will henceforth serve in the Air Force.

Kokoshin Explains Economic Constraints on Arms Programs

PM0807133793 Moscow KRASNAYA ZVEZDA in Russian 8 Jul 93 p 3—FOR OFFICIAL USE ONLY

[Valentin Rudenko report: "Defense Order for 1994 Formed. Time Will Show How Successful It Is"]

[Text] The days when arms programs, including long-term ones, were fully supported by the requisite quotas and funds and almost limitless finance have long since gone. Now, as First Deputy Defense Minister Andrey Kokoshin noted at a meeting with journalists, the situation has changed radically. The reality is that there are no longer any quotas or funds for the overwhelming majority of defense tasks. When forming the armaments program the Defense Ministry has to take into account not only the needs of the Armed Forces and the potential for savings, especially from the viewpoint of finance and resource provision, but also the not insignificant fact that since the disintegration of the USSR many enterprises in the defense complex now find themselves in neighboring countries.

Nevertheless, the Defense Ministry has virtually completed work on the 1994 defense order and is actively working on the formation of the armaments program through the year 2000 and beyond. The most complex task here is surely to carry out a comprehensive evaluation of the defense order from the economic and financial viewpoint. As was have seen from 18 months' work in conditions of inflation, prices for defense output are rising significantly faster than for civilian output. The movement of prices for individual types of arms within the defense order is different too. That is why the armaments program must be constantly adjusted and resources redistributed.

Life has raised quite a few other problems too. They include the complexities of production-sharing between main enterprises and subcontractors. The question of payments from customer to producer has become extremely aggravated recently. The process of adopting the Russian Federation Law "On the State Defense Order," which is supposed to be the legal basis for the formation and implementation of the arms program, has gone on too long, as has the transition to contractual relations between the Defense Ministry and enterprises carrying out the defense order.

Speaking about the arms program for next year, Andrey Kokoshin stressed that great attention has been paid in it to ensuring that the troops have everything that they need, especially spares and storage batteries, for carrying out regular combat training. An important area of activity will be the modernization of equipment which has performed well in service with the troops.

Andrey Kokoshin stated that the Russian Federation Supreme Soviet should adopt a revised version of the budget as soon as possible. Lacking the ability to pay for the orders, the Russian Defense Ministry now owes its subcontractors around 400 billion rubles in current payments and deposits since the beginning of 1993.

Scientist Disputes Worth of Plasma Weapons

MK0807111093 Moscow NEZAVISIMAYA GAZETA in Russian 8 Jul 93 pp 1, 2

[Interview with Aleksey Kuzmin, chief designer of AWACS and space control systems, associate of the Telecommunications Research Institute, by Andrey Vaganov in "Armaments" column: "Russia Has No 'Plasma Weapons.' And it Is Not Likely To Get Any in the Foreseeable Future;" place and date not given]

[Excerpts] Prior to the April summit in Vancouver between the presidents of Russia and the United States IZVESTIYA (2 April 1993) published a sensational story under a front-page banner headline: It was about the possibility of the summit's discussing a joint large-scale Trust project, proposed by the Russian side, to repulse missile attacks with the help of so-called plasma weapons. The physical essence of the experiment could be briefly summed up as follows: Before any object moving in the earth's atmosphere a plasma cloud is created by a ground-based SHF [super-high frequency] emitter or laser generator, which (according to IZVESTIYA) ".... fully destroys the flight aerodynamics of a missile or aircraft. The object leaves its path and disintegrates under tremendous pressure." It also provided a plan of the experiment and a commentary by the author of this idea, Rimil Avramenko, chief designer at the Scientific and Research Radio Engineering Institute.

I have already had occasion to point out (NEZAVISIMAYA GAZETA No. 113 of 19 June 1993) the strange absence of any information about the results of the discussion of this undoubtedly outstanding experiment, that is, if it ever took place at the April summit. Just recently NEZAVISIMAYA GAZETA came by additional information shedding light on some aspects of the problem of developing "plasma weapons." I asked Aleksey Arkadiyevich Kuzmin, general designer of missile attack early warning and space control systems, an associate at the Telecommunications Research Institute, to comment on this information.

[Vaganov] The report about a proposed joint "plasma weapon" experiment has provoked a stormy reaction in the Russian press. What was the reaction to it in the West?

[Kuzmin] These articles, in particular in IZVESTIYA, were reprinted and commented on by many U.S. papers. For the most part this information was perceived across the ocean as absolute truth, although some publications did voice their doubts. This question now has not only a scientific and technical but also a political dimension.

[Vaganov] Presumably, this has to do with the fact that the Trust project directly bears on the Soviet-U.S. Treaty on the Limitation of Antiballistic Missile Systems [ABM] of 1972?

[Kuzmin] Generally speaking, the ABM problem has several aspects. Somewhat simplifying the situation, all ABM systems can be divided into tactical missile ABM systems and strategic missile ABM systems. Avramenko's proposals are basically concerned with strategic ABM systems. In 1972, as a result of lengthy negotiations, the sides came to the conclusion that ABM systems, if they are not limited by a particular framework, are a destabilizing factor. Therefore when the issue of ABM system development is raised, this provision is automatically called into question, but both on our side and on the U.S. side there are some people and organizations that are trying at the very least to expand the restrictive framework that was adopted in 1972. The main limitation, it will be recalled, is that ABM systems may be created solely in one of two districts: around the capital of a corresponding state or around one of the ground strategic force bases. The Americans chose the second option, and we chose the first. Interestingly, the Americans fairly quickly froze work on developing a strategic ABM base.

[Vaganov] How would you account for this: by the fact that such systems are extremely complicated or because they have failed to put it in place for some other reasons?

[Kuzmin] No, the U.S. ABM system created at the time was fairly perfect. But the whole point is that it is very difficult to ensure protection of a particular object by this method.

Deterrence was and still remains the main means of counteracting a missile attack. By this is meant not direct defense against missiles, but a means that allows without fail to ensure such a response that a) would always be adequate to the attack itself; and b) would always strike a blow against an enemy in such a form that the enemy would suffer greater damage.

There are facilities in Russia which ensure control—and this is the most difficult condition—of information about attack: single, group, or massive, planned or accidental. There is an instrument system that has been on alert duty for 22 years. Over the last seven years I have been general designer of this system. And the experience of the last few decades has shown that our system is operating fairly reliably. During this time there have been various instances which, in the absence of such systems, could have led to conflicts.

In other words, two paths could be used: direct defense and the creation of means to prevent a unclear attack—mutually assured destruction. But many, including the Americans, are not satisfied with this policy. To live under the threat of any fear is simply unacceptable for the Americans—such is their mentality. This is why time and again they, as well as we, have come out with

proposals to move away from mutually assured destruction as a means to prevent war into the sphere of direct defense. And this approach is not meaningless in principle, although as far as I am concerned, I think that it is incorrect since, I repeat, any strategic ABM system is a destabilizing factor.

On the other hand, proliferation of nuclear weapons is a reality. Therefore it would be wrong to say that in 1972 we concluded a treaty and that we must live according to it for the next hundred years. New aspects will appear. The question about ABM development remains legitimate, but as to which ABM systems is another matter.

[Vaganov] This is on the philosophical side of the issue, so to speak. Now let us talk about the equipment.

[Kuzmin] Naturally, many scientists are thinking about what new proposals could be made to resolve the ABM task. Today, however, the question should be raised not about defense of any particular target but of a multitude of targets, or even an entire territory, from single missiles. And interest exists in many countries as to how to make this better and cheaper. One of the proposals along this line is the Trust project by Rimiliy Avramenko and his colleague on creating "plasma weapons."

[Vaganov] What are the purely physical foundations of this idea?

[Kuzmin] Complex ballistic targets include not only warheads proper but also decoy targets. To identify them is a complicated selection task which has not been unequivocally resolved up to now. Radiation destruction means—laser and SHF means, as proposed in the Avramenko project, seemingly resolve this task in principle since the number of equivalent responses is unlimited. In other words, all targets—both genuine and false—could be destroyed consecutively. This is attractive. Second, it would include nonnuclear interception. If only it could work just as well!

[Vaganov] Presumably, there are some limitations here since you are talking about "plasma weapons" in the subjunctive mood?

[Kuzmin] Indeed, with the help of large phased-array [fazirovonnaya] antennas—tens of thousands of emitters organized in a certain fashion—it could be possible to concentrate a beam of electromagnetic energy in a fairly small volume. It is with the help of this focusing of energy that warheads are supposed to be destroyed. Current estimates show that the energy flow needed to destroy a warhead frame by heating is between 10 and 100 KJ [exact expansion unknown, possibly kilojules) per square centimeter. These are very, very high magnitudes. All attempts to find ways of reducing them—and I have also taken part in these attempts—have failed. [passage omitted]

[Vaganov] How would you comment on this statement from IZVESTIYA's article: ".... research on this subject has moved from laboratory walls to a full-scale [naturnyy] experiment"?

[Kuzmin] As far as I know, a full-scale experiment is the continuation of those laboratory experiments that preceded the invention itself. Yes indeed, on an earth trajectory—hundreds of meters—plasma discharges were created, and an object under investigation (roughly speaking, a bullet) deviated from its usual path. I think that this is precisely what is meant with the "full- scale experiment" mentioned in the article.

No one questions the influence of SHF discharges on aerodynamics. But the scale of this influence, according to a majority of experts, including myself, is very negligible.

When this line of investigation was beginning (many other scientists and organizations were involved in this work in addition to Avramenko; considerable funds were spent), the targets were warheads of a particular class that were in service in the armed forces at the time. By present-day standards they were not very strong. For instance, modern warheads can penetrate several dozen meters (!) deep into the ground without being destroyed. Now compare this: Can this kind of warhead be destroyed by the impact of "plasma weapons"? This, of course, is not strict physical proof of the prematureness of any talk about "plasma weapons"—it is merely a comparison, but it gives some idea of the problem involved. The conditions for causing damage by "plasma weapons" have not been sufficiently elaborated, even in theory.

[Vaganov] What do you think brought about this appeal to the U.S. Administration on conducting a full-scale Trust experiment, which implies a profound obligation?

[Kuzmin] Nothing but the incompetence of some officials, on one hand, and Rimiliy Fedorovich Avramenko's persistence on the other.

[Vaganov] And if this business came off, that would mean appropriate funding....

[Kuzmin] This is one of the main reasons.

[Vaganov] But the institute where you work and the institute where Avramenko works are affiliated with the same intergovernmental joint-stock corporation, Vympel. Did you have any preliminary discussion of this project?

[Kuzmin] No, there was no discussion—for fairly understandable reasons: With the exception of the project's author, all other specialists do no share his viewpoint on the immediate prospects of "plasma weapons." And since the Trust project looks very attractive, it was very easy to get it through high-placed but incompetent, in this particular area, state bureaucratic barriers.

[Vaganov] It seems that Clinton has competent advisers who gave him the right recommendation at the right moment?

[Kuzmin] I would say that it was our president's aides who proved to be more competent and more cautious. Yeltsin went to Vancouver with an agenda that did not include this question. In the draft it was present, yes. But only in the draft.

[Vaganov] In other words, we have therefore saved a few billion?

[Kuzmin] First of all, we have saved our scientific prestige. It was wrong to make this sort of proposition without serious consideration, without a serious discussion in the first place. I believe that at present there is no reason to discuss such projects, I am sure. I am convinced that a majority of experts also think so. The Trust project is a crazy idea, but not the direction of work as such.

Government To Go Ahead With Space Defense Programs

LD0807163993 Moscow ITAR-TASS in English 1403 GMT 8 Jul 93

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Zvyozdnyy Gorodok, Moscow region, July 8 TASS—"Russia is interested both in manned space flights and the implementation of the national military space defence programme, with due regard for the appropriations which the state can assign for the purposes," General of the Army Pavel Grachev, Russian minister of defence, told ITAR-TASS in Zvyozdnyy Gorodok (Star City) on Thursday [8 July].

Funding cutbacks "should by no means tell on the number of spacecraft that are both in stationary and elliptical orbits," he emphasised.

The defence minister visited the Cosmonauts' Training Centre where he acquainted himself with leading experts' opinions about the problems and prospects of military space defence programme.

In response to journalists' questions, the minister emphasised that from now on space flights will be made not only by Russian cosmonauts but by mixed crews as well, "Franco-Russian ones, to a larger extent". He expressed dissatisfaction with Russia's existing system of the distribution of currency funds for the accomplishment of space programmes in the interests of third countries.

A major share of expenditures connected with the training of cosmonauts, the transportation of machinery and personnel by Baykonur and technical support for space flights are borne mainly by space defence forces and the Cosmonauts Training Centre, whereas currency revenue enter, mainly, the accounts of the Russian Space Agency, Grachev said.

"I instructed Petr Deynekin, commander-in-chief of the air force, and Petr Klimuk, head of the Cosmonauts Training Centre, together with the Russian Space Agency to draw up an agreement on profit quotas," the defence minister said.

Grachev once again emphasised his unchanged position on the status of Baykonur Cosmodrome. Recalling that the share of Russia in financing the cosmodrome "is more than 90 per cent", he stated that the cosmodrome must be recognised as a "Russian military space defence base or a centre on the territory of Kazakhstan."

Soyuz Docks Successfully With Mir Station

PM0807123793 Moscow Ostankino Television First Channel Network in Russian 2000 GMT 3 Jul 93

[From the "Novosti" newscast]

[Text] The Russian-French expedition to the Mir station began with a successful docking, but before that the cosmonauts transmitted to Earth the first pictures of the orbital complex with three craft attached to it. What you see is the biggest structure ever built by man in Earth orbit. This is a topic for the Guinness Book of Records.

Subsequently one of the craft moved away from the station and the Soyuz TM-17 with the new space crew took its place. Their gifts to Gennadiy Manakov and Aleksandr Poleshchuk were modest but very acceptable—a bag of fresh fruit and birch twigs.

New Il-114 Crashes During Flight Tests

PM0807152793 Moscow IZVESTIYA in Russian 7 Jul 93 First Edition p 1

[Viktor Belikov report: "Il-114 Test Flight Ended in Disaster"]

[Text] An experimental Il-114 turboprop aircraft crashed on takeoff from a test airfield at Ramenskoye, Moscow Oblast, at noon 5 July. Of the nine people on board, four crew members died.

The short-haul airliner, which made its first flight in March 1990, was created by the Ilyushin Experimental Design Bureau and is to be produced in a mass series. It is designed to carry 64 passengers in a comfortable compartment with the interior of a modern wide-bodied aircraft.

The aircraft has one of the most modern pilot's cabins in terms of equipment, accommodating seats for two pilots. Russian engines fitted with propellers in a new, so-called acinaciform configuration have been developed specially for this machine. The Il-114 can cruise at a speed of 500 km per hour at an altitude of up to 7 km.

It was proposed that the new machine would replace the obsolete An-24 and Yak-40. There is a very great need now for such aircraft in our country and throughout the world. Regional air transport is outstripping long-haul

aircraft in terms of the pace of development. This is why it was decided to put the Il-114 into series production at two large aviation industry enterprises at once—Moscow's "Znamya Truda" Aviation Plant and the Tashkent Aviation Plant.

Several Il-114 aircraft are now undergoing a program of tests, and preparations for their production are proceeding in parallel.

It was during one of these experimental flights, when a special regime was being tried out, that the disaster occurred right after takeoff. The crew members who suffered were immediately taken to hospital. An investigation is being conducted into the causes of the disaster.

'Zvezda' Aerospace Enterpise Develops Pressure Suit

OW0807081893 Moscow Ostankino Television First Channel and Orbita Networks in Russian 1845 GMT 15 Jun 93

[From the "Cupboard Full of Secrets" feature presented by Yelena Golubeva; from the "Utro" Program]

[Text] Today, we have a sensation in our feature. We will reveal a secret of scientific medicine to you. A special suit has been developed at the Zvezda Aviation and Space Company in Tomilino near Moscow. It can help in the treatment of cerebral paralysis. [Video shows hyperbaric chamber, young woman walking slowly in a blue flight suit, then cuts to show Golubeva interviewing A.S. Barer, chief of the Aviation and Space Medicine Department of the "Zvezda" Scientific Production Enterprise.]

[Begin recording] [Golubeva] Arnold Semenovich, what is the history behind this invention?

[Barer] Well, it goes back to the end of the sixties when we were faced with the problem of long space flights. We understood that weightlessness was an unusual condition for man and that apparently there would be certain health problems related to this unusual physical condition. A special costume or flight suit was invented to imitate loads during movement, like an expander inside the flight suit. It attracted interest in various other fields, not only in the cosmonautics field. [end recording]

Like everything brilliant, the suit is very simple. In actual fact it is an exercise device for clinical medicine. Just take a look. After two years of research in Moscow clinics the results were astounding. The suit was tested on 50 patients from 14 to 25 years of age.

[Begin recording] [Reporter] What changes did you notice after working in this suit?

[Girl] I managed to increase my step. In particular, my left leg moves further forward now, so generally it is easier for me to walk. [end recording]

Treatment takes three to four weeks. Of course the ailment does not go away entirely, but a person's condition greatly improves. [video again cuts to show Golubeva talking to Barer]

[Begin recording] [Golubeva] The "Utro" program is quite popular, and it is viewed by many people in Russia and in other CIS countries as well. I think there will be a flood of letters. People will be asking for your address.

[Barer] In this connection, I can tell our viewers and listeners that in 1993, we feel we will be able to stand on our own feet in terms of mass production of this device, and we will be able to supply major facilities in our country. [end recording]

Any day now the Russian Ministry of Health will pass its ruling. The government has promised to help establish treatment centers. Talks are underway for cooperation with France, Germany, Austria, and Poland. Now, even the Russian special services can sit back and relax since the invention has been patented and has international priority. There is another point. If the cold war had not ended and consequently if there was no conversion of the defense industry, then this invention might never have seen the light.

Economic Issues

Agrarian Union Congress Criticizes Government Policies

PM0807121193 Moscow ROSSIYSKAYA GAZETA in Russian 1 Jul 93 First Edition p 2

[Aleksandr Gavrilyuk report: "Vasiliy Starodubtsev Back on Presidium"]

[Text] The Second Congress of the Agrarian Union of Russia opened in Moscow 29 June. The composition of the presidium alone suggested that work at the congress would be complex. Prime Minister Viktor Chernomyrdin; Aleksandr Zaveryukha, deputy prime minister for the agro-industrial complex; and Valentin Agafonov, deputy chairman of the Supreme Soviet; were sitting alongside Aleksandr Rutskoy, who has fallen from favor and been ousted from the management of the agro-industrial complex, and Vasiliy Starodubtsev, chairman of the Agrarian Union. The latter also opened the congress.

His brief speech set the tone: "It is three years since the first congress, which was held in a completely different sociopolitical situation. Since then the Russian countryside has come to the brink of complete devastation. Seed production and livestock breeding centers, the very foundation of agricultural production, are dying out. The countryside has always been fleeced, both by the Communists and by the democrats, and now kolkhozes consider the reformers a millstone around their necks. Thus the Agrarian Union's main task is to achieve unity and cohesion. The congress must be a turning point in

the fate of the agro-industrial complex—we must make the government support its own peasant producers first of all, not the foreign farmer."

Agrarian Union Deputy Chief Vorontsov expressed the same idea: "Collective agriculture has become a thorn in the flesh of the powers that be. The state has adopted a course aimed at achieving universal private farming [pogolovnaya fermerizatsiya] and this is leading the country toward poverty and dependence on outside food supplies. Government policy gives priority to commercial and intermediary structures while the peasant is being driven into a corner by prices, taxes, and credits."

A delegate from the Altay even demanded that Union Chairman Vasiliy Starodubtsev be included among the president's advisers if the president really does care about the fate of the Russian countryside.

In the lobby, Vice Premier Aleksandr Zaveryukha gave your correspondent an interview: "I expect the congress to produce consensus although the solution of the problems raised in the speeches is making slow progress."

Vice President Aleksandr Rutskoy, until recently in charge of agriculture, was more categorical. When asked what he expected from the congress he commented: "It is just like the old days, the premier on the presidium, the 'lament of Yaroslavna,' the president's greeting... But this will not achieve anything so long as the country is led by this government.

"The task before this government and president is the destruction of agriculture, which I opposed. This is why the destruction of the social and production spheres in the countryside is continuing. It will take us decades to rebuild what the reforms have destroyed."

In the speeches of virtually all the delegates, the main idea was that the gamble of the president and government on the private farmer to feed Russia has failed.

Vasiliy Starodubtsev was elected chairman of the Agrarian Union of Russia.

Bank Officials Urge 'Sensible Protectionism'

MK0807123093 Moscow NEZAVISIMAYA GAZETA in Russian 8 Jul 93 p 4

[Unattributed report under the "In Brief" rubric: "On Sensible Protectionism"]

[Text] The final versions of the draft laws "On Banks and Banking in the Russian Federation" and "On the Russian Central Bank" entitle the Central Bank to "insist on additional requirements to the creation and operation of joint banks and branches of nonresident banks." This was announced by Aleksandr Pochinok, chairman of the Supreme Soviet Commission for the Budget, Plans, and Prices.

In his words, an opportunity is being considered to relegate them to "off-shore status" signifying that their operations will be limited to hard currency operations alone with the rights of nonresidents. This position of the representative of the Russian Federation Supreme Soviet was actively supported by Sergey Yegorov, president of the Association of Russian Banks, and representatives of major commercial banks, who called for the establishment of a system of "sensible protectionism for the country's banking system."

Central Bank Chairman Viktor Gerashchenko pointed out that the presence of foreign banks would give an impetus to the development of the national banking system and attract foreign investments, whereas the problem of capital flight should be solved through tougher control over hard currency operations and foreign trade activities. As for protectionism, he thought, it would draw retaliatory measures against Russian banks.

The Russian Federation Supreme Soviet is supposedly to pass laws on banking as early as July.

Bank Official Explains Background to Bank Note Withdrawal

PM0907074993 Moscow IZVESTIYA in Russian 8 Jul 93 First Edition p 8

[Ivan Zhagel report: "Don't Worry: Old Bank Notes Will Be Legal Tender Even in a Year"]

[Text] In yesterday's issue we reported that the Bank of Russia had adopted a decision to remove from circulation bank notes with a face value of between one and 1,000 rubles [R] issued by the USSR Gosbank [State Bank] in 1961-1991. It was also reported that this operation will not be confiscatory and that the bank notes would continue to be legal tender throughout the country.

But straight after the report appeared the editorial office started getting telephone calls from outraged citizens who believe that the Bank of Russia decision will affect their interests. In this connection we asked the Central Bank leadership to explain the situation once again, and here is what A. Khandruyev, deputy chairman of the Central Bank, told us:

"Actually, the removal from circulation of old bank notes issued by the Union Gosbank and carrying the symbols of the now-defunct USSR began a few months ago. But the process has not been expedited owing to the shortage of new-issue cash.

"We have now built up enough Bank of Russia notes and coins. This is why a directive was issued banning commercial bank cash desks from issuing 1961-1991 notes as of 6 July—these should be handed in to cash accounting centers. But both the commercial banks and all trading enterprises must accept this cash before its total withdrawal from circulation.

"Incidentally, no deadline has been set for the withdrawal, and if somebody finds some old bank notes six

months or even a year later they will be able to use them to pay for goods and services. It should be added that there is nothing about the procedure for the removal of the old bank notes from circulation that is specific to our country. Exactly the same operation was recently carried out in Germany, and it in no way infringed the interests of that country's citizens."

Nuclear Stations Could Be 'Virtually Unmanned'

MK0807093093 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 28, 11 Jul 93 (signed to press 6 Jul) p A13

[Andrey Kolesnikov report: "Uncontrolled Atom"]

[Text] The Russian Federation State Committee for the Supervision of Safe Working Practices in the Atomic Power Industry has received notification from the Russian Government to the effect that its staff is to be cut by 15 percent. The move threatens to leave Russia's nuclear power stations virtually unmanned.

This is the third government move in the recent month to alter the size of the committee's staff. A month ago, Viktor Chernomyrdin signed a directive to increase the staff by 20 percent. As a matter of fact, he promptly corrected himself and cut the Committee's staff by this same 20 percent. Meanwhile the government too had great fun altering the committee's payroll. For example, there were 146 workers on the payroll of the administration for the supervision of nuclear and radiation safety of the USSR State Committee for the Supervision of Safe Working Practices in the Atomic Power Industry. After the August putsch their number was cut (due to the Union Committee's having been reorganized into a Russian Committee) to 60. Today there are 17 people working for the administration. Their work load is prodigious: to inspect stations, to clear generating units for operation, to stop generating units if need be (this need is, unfortunately, regular....). As a result of the latest government directive, there will be no more than 12 or 13 people working for the administration.

The cuts will of course also affect some other administrations of the supervisory body that keeps an eye on fuel-related enterprises, Defense Ministry installations, and groups of inspectors at individual stations, which already now consist of two or three people working for peanuts compared to what is paid at nuclear power stations. According to MOSKOVSKIYE NOVOSTI information, there is a widening practice at some nuclear power stations where chiefs pay extra money to inspectors of the State Committee for the Supervision of Nuclear and Radiation Safety. This is the crudest trampling on the inspectors' code of ethics, which is not much different from the administrative and criminal codes. One has to reckon, however, with the fact that there is no longer any other way to retain inspectors whose presence interests first and foremost station directors themselves.

Supreme Soviet

Chernomyrdin on Postponement of Budget Report

LD0807191393 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 8 Jul 93

[From the "Novosti" newscast]

[Text] Russian Premier Viktor Chernomyrdin today set off on a trip to Severodvinsk, Arkhangelsk oblast, and Severomorsk, Murmansk oblast. During the visit he will examine a number of problems in the Russian Navy. Before he departed he answered a question from our correspondent on the reasons for postponing the government report to the Supreme Soviet.

[Begin Chernomyrdin recording] I do not want people to create any problems out of this. It is a matter of business I think. The fact that the Supreme Soviet has raised this question and it needs to be reported on—I don't see anything in this. The government is at present preparing for an expanded session of the Council of Ministers with the participation of the president, the heads of republics, the heads of administrations, and the chairmen of oblast and kray soviets, with the participation of Supreme Soviet members and deputies. This will take place on 29 July. Therefore, why should we try to say anything two weeks before this? There aren't even the figures today. We do not even have the accounts yet for the half year. After the 29th we are prepared to present the materials, and I am ready to report to the Supreme Soviet, if they will allow me. [end recording]

Report Could Prove 'Stormy'

PM0807142993 Moscow ROSSIYSKIYE VESTI in Russian 8 Jul 93 p 1

[Lyubov Tsukanova article: "Deputies' Favorite Hobbyhorse: Produce a Program or Resign!"]

[Text] The Russian Federation Supreme Soviet intends to hear a report by Viktor Chernomyrdin, chairman of the Council of Ministers. This question has of late been repeatedly raised by deputies and included on the agenda, and Ruslan Khasbulatov has repeatedly had to explain to members of the Supreme Soviet why Chernomyrdin's appearance in parliament is constantly being postponed. Admittedly, this insistence by deputies by no means fits in with the separation of powers, and the actual word "report" is rather reminiscent of the times when the Politburo, whose feats our Supreme Soviet Presidium envies, was all-powerful. It is of course more appropriate to say that the prime minister may brief deputies.

Of late the Supreme Soviet's goodwill toward the prime minister, on whose appointment the parliamentarians pinned their hopes of the government's activity being "rationalized" and economic reforms "brought down to earth," has been replaced by ill-disguised irritation. Recriminations are directed with increasing frequency at

Viktor Chernomyrdin over his activity and the work of other members of the government during the Constitutional Conference. "The government has asked us to work. We are not standing in the way. But it is not tackling the economy now, but the constitution"—that is the most widespread complaint leveled at the Council of Ministers by people's deputies. However, the course of the session showed that government members are not being summoned to parliament less often, and it is not only their involvement in the constitutional process that is causing discontent, but also the way in which they carry out their direct official duties (trips, meetings, conferences) if they "prevent" them from appearing in parliament when asked.

The Supreme Soviet discussion of the Council of Ministers' work promises to be stormy. There are preconditions for this—not only the political struggle that has worsened due to the two parallel directions of the constitutional process, but also the truly dramatic situation that has developed with regard to the 1993 budget, which has once again, for the third time now, been sent to the government for finalization, and parliamentarians' unhappiness with the work of the power ministers, who are "suspected" of being overly loyal to the president—that is, in the terminology of people's deputies, of "political intrigue." There will probably once again be complaints about the Foreign Ministry and Andrey Kozyrev personally. And the question of corruption in the top echelons of power will undoubtedly arise—a question that is particularly acute for the Supreme Soviet because it has distinct political overtones.

However, the question of the economy will obviously be the main one, and the crucial battle will be waged over it. Veniamin Sokolov, chairman of the Soviet of the Republic, recently announced the Supreme Soviet Presidium's intention of putting to the session a motion of no confidence in a government that is incapable of extricating Russia from the economic crisis. Typically, the statement was made before the report is made to parliament since the parliament's leadership realizes a priori that Chernomyrdin's government has failed in its tasks. And the negative attitude of the Soviet of the Republic's speaker toward the government's economic and budgetary policy has long been known.

Ruslan Khasbulatov's attitude on the Council of Ministers is also well known: He said not so long ago that the entire government deserved to be sent packing immediatley—admittedly for another reason, namely because of the cases of corruption that have supposedly afflicted top government echelons. As for the economic policy pursued by Chernomyrdin's cabinet, here the parliament speaker's position is not all it seems, particularly if you bear in mind that Khasbulatov and the prime minister recently signed a declaration of national economic accord.

The Supreme Soviet chairman's hopes on the premier do not seem to have been exhausted, and if Chernomyrdin is criticized personally in parliament, it will most likely be for not paying sufficient attention to the Supreme Soviet's recommendations in cadre policy and still "keeping" in government Gaydar's people, whose very names cause a hypersensitive reaction in most deputies.

As for the bearing that this kind of criticism will have on Viktor Chernomyrdin's position and policy, that is another matter. Many of his recent actions and statements indicate that the incumbent premier's main interest will most likely be to make the Council of Ministers a body outside politics, an endeavor that has hitherto not been successful. The premier's impending speech in parliament will also show whether this is possible today when both the government's powers and responsibility under the existing constitution are fairly vague. And in that case should parliamentarians, if only to acquire that certainty, not criticize but support the premier in his "constitutional" activity?

Khasbulatov Proposes Setting Up Reserve Fund

LD0807141393 Moscow ITAR-TASS World Service in Russian 1305 GMT 8 Jul 93

[By ITAR-TASS correspondent Igor Galkin]

[Text] Moscow, 8 Jul—Today, Russian Supreme Soviet Chairman Ruslan Khasbulatov proposed setting up a Russian Supreme Soviet reserve fund to tackle acute regional and industrial problems. According to him, this fund amounting to 100 billion rubles is needed in the present crisis situation to plug some "holes" in financing. He recalled that the government has such a fund to eliminate the consequences of emergency situations.

Summing up the results of today's parliamentary discussion on the specified draft of the republican budget for 1993, Ruslan Khasbulatov appealed to deputies to adopt the document without fail, but put forward several proposals that, he said, should be taken account of in it. First, he stated that the Supreme Soviet should not consent to increasing any indirect taxes. "On the contrary, it is necessary to move toward reducing taxes on goods manufacturers," Khasbulatov stressed.

He also believes that a relative reduction in the new specified indices of allocations for education, science, public health, and culture is inadmissible.

As for subsidies to production sectors, the speaker believes it is necessary to support agriculture and coal extraction.

The head of parliament supported proposals by some deputies who demand that expenditure on "the administrative personnel of executive power" should be cut. "We can openly write in the decision: to cut expenditures on the officialdom by 20 percent," he proposed. He noted further that a tendency is being observed toward increasing not just the officials, but also the administrative production apparatus, which testifies to increasing bureaucracy in production and to the fact that there is no control over it.

Planning Commssion Chairman Wants More Analysis of Budget

LD0807140493 Moscow Mayak Radio Network in Russian 1100 GMT 8 Jul 93

[Text] So far, not one committee or commission of the Supreme Soviet has proposed adoption of the clarified version of the Russian federal budget for 1993, said Aleksandr Pochinok, chairman of the parliament's planning and budget commission, speaking at the session of the Russian Federation Supreme Soviet. He proposed that the document submitted by the government be taken note of and that it undergo detailed analysis in the committees and commissions in order to examine it later at the Supreme Soviet session. Parliamentary speaker Ruslan Khasbulatov noted in this connection that the budget should be passed next week.

Lawmakers Demand Removal of Shakhray

LD0807125593 Moscow ITAR-TASS in English 1151 GMT 8 Jul 93

[Text] Moscow July 8 TASS - The Russian parliament press service made a caustic statement on Thursday concerning an interview by Vice-Premier Sergey Shakhray to the INTERFAX news agency.

The interview explains reasons why the Presidium of the Russian Government recommended that Premier Viktor Chernomyrdin refrain from making a planned report at parliament on Thursday.

The press service links the vice-premier's interview with the fact that "some understanding emerged over the recent past both between the main political forces as well as in relations between the government and the legislature".

To prove this fact, the statement's authors refer to "the declaration of national economic accord" signed on July 5.

The press service states that a compromise contained in the declaration "was not to the liking of political and economic extremists whose interests were expressed by Shakhray".

Alleging that "the vice-premier's position is at sharp variance with the position of the prime minister, with whom the Russian parliament agrees", the press service stresses that some lawmakers demanded that the advocate of the party of war and dissent be removed for his high government post.

Vote To Remove Shakhray Fails

LD0807144793

[Editorial Report] Moscow Mayak Radio Network in Russian at 1252 GMT on 8 July reports that during today's Russian Supreme Soviet session, Aleksandr Ruvinskiy, deputies of the Russian Supreme Soviet, Speaker Khasbulatov, and his guest Aleksandr Rutskoy met cultural figures. The session is expected to conclude its work in a week. The 1993 state budget, the session decided, can only be adopted once Chernomyrdin's report has been heard. The deputies voted on removing Deputy Prime Minister Shakhray from office but the motion failed by two votes. Khasbulatov commented on the results of this vote, saying: "If you fail to understand even this, then there is nothing whatever for us to do here." Deputies then adopted a decision "On preventing the reorganization, liquidation, and privatization of state television and radio companies and their structural subunits."

Parliament Attempts To Block Government's Privatization Plans

LD0807111893 Moscow ITAR-TASS in English 0829 GMT 8 Jul 93

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[Text] Moscow July 8 TASS—The Russian parliament again mounted its attempts to block privatisation in Russia which is going according to the plan worked out by Deputy Prime Minister Anatoliy Chubays.

The parliamentary commission on economic reform plans to submit a proposal next week which, if adopted, will cancel a presidential decree on privatisation as "unconstitutional".

On Thursday legislators blasted Chubays, who is the privatisation supremo, for failure to coordinate his programme with the parliament and authorised Chairman of the Commission on Economic Reform Vladimir Mazayev to make an hour-long televised address on the course of reform and privatisation in the country.

This is not the first time when legislators try to stop privatisation going on in Russia. Their earlier attempts to block the process failed and Chubays was satisfied to say that privatsiation had become irreversible.

The new attack was initiated by lawmaker Vladimir Tikhonov who said that the presidential decree on state guarantees to the people for participation in privatisation "completely cancels legislation adopted by the Supreme Soviet and ensures the policy suitable for Chubays".

Mazayev echoed by saying that Chubays promised to submit the privatisation programme to parliament by the end of July and complained that, in the meantime, privatisation has been already launched "a la Chubays".

Parliament Chairman Ruslan Khasbulatov accused the government for "ruining the programme and failing to coordinate its actions with legislators". "The society is to know about that", he added.

Observers say that privatisation is the only major success of Russian reform.

Committee Discusses Defense Budget Shortfalls

PM0907074193 Moscow KRASNAYA ZVEZDA in Russian 8 Jul 93 p 1

[Report by Oleg Glushakov and Anatoliy Stasovskiy: "Military Hoping for State Support"]

[Text] A working session was held at the parliamentary Committee on Defense and Security Questions 6 July, during which the military budget for the current year was discussed. In addition to members of the committee, the following also took part in its work: Colonel General Vyacheslav Mironov, chief of armaments of the Russian Federation Armed Forces; Colonel General Vasiliy Vorobyev, chief of the Russian Federation Defense Ministry Main Directorate for the Military Budget and Finance; Colonel General Nikolay Chekov, chief of construction and billeting of the Russian Federation Armed Forces; and representatives of the Russian Federation Finance Ministry.

A worrying conclusion was drawn on the difficult financial situation in the Armed Forces based on an analysis of the situation in the Army and Navy and on the Finance Ministry's proposals on the revised defense budget for 1993. The government has already reduced the financing of the main items of military spending by around 30-50 percent. The figures look like this: According to the Defense Ministry, 8.7 trillion rubles [R] are needed for defense spending whereas the Finance Ministry is planning to allocate just R6.3 trillion. As a result of inflation and delays in financing, plans for the construction of housing for servicemen are being disrupted and wages are not being paid on time. Many Russian enterprises have been forced to stop carrying out defense orders.

During the committee session the military men put forward concrete suggestions to reduce expenditures. It is possible that some saving could be made by reducing the number of military schools, military representatives at plants that have not carried out military orders for a long time, and military departments in some civilian higher education institutions.

During the discussion it was noted that a meticulous calculation of the financial resources needed to ensure implementation of the articles of the Law "On the Status of Servicemen," which the government is proposing to suspend, shows that this will cost R212 billion. This is not a large sum compared with the trillions needed for defense, it was stressed.

A press conference was held at the parliamentary Committee on Defense and Security Questions to discuss the results of the session's work. Representatives of the Russian Defense Ministry and Finance Ministry took part.

It was noted at the press conference that at least R1 trillion will be needed in addition to the R6.336 trillion already allocated to meet the Defense Ministry's costs. This extra sum is due to continuing inflation and also to the need to carry out the package of "military laws" adopted recently.

According to the testimony of Col. Gen. Vyacheslav Mironov, chief of armaments of the Russian Federation Armed Forces, the debt owed to industrial enterprises for their work in implementing the state order for the manufacture of military hardware has already reached R0.5 trillion.

Col. Gen. Nikolay Chekov expressed concern over the government's R154 billion debt to the Defense Ministry for the construction of housing for servicemen. He noted that unless the debt is cleared in the very near future the construction program could be brought to the verge of collapse.

Meanwhile, Aleksandr Piskunov, deputy chairman of the parliamentary Committee for Defense and Security Questions, stated that it is necessary to find mutual understanding with Prime Minister Viktor Chernomyrdin on the questions under discussion and expressed the hope that Russian President Boris Yeltsin will support the Russian Defense Ministry's position.

Parliament Debates Stricter Foreign Loan Rules

MK0807110093 Moscow KOMMERSANT-DAILY in Russian 8 Jul 93 p 3

[Aleksandr Sergeyev report: "Supreme Soviet on Foreign Credits Control. Parliament Intends To Control Foreign Loans"]

[Text] The Russian president's trip to Tokyo for the G-7 meeting was the reason for the parliament's examination yesterday of the Supreme Soviet's draft statement "On Economic Interaction With the Developed Industrial Powers." This document stresses that the possible reception by Russia in the near future of foreign loans should be preliminary approved by the Supreme Soviet and confirmed by a government-designed specific program for the utilization of the funds.

The statement presented by Sergey Mikhaylov, deputy chairman of the parliamentary committee for foreign economic relations, had not been given a preliminary estimate in any Supreme Soviet committee or commission. The haste in drafting the document was obviously caused by Boris Yeltsin's participation in the G-7 heads of state meeting that opened in Tokyo and that plans to look into the questions of economic aid for Russia and of extending new credits to it. Thus, the parliamentarians attempted to confirm once again the leading role of the Supreme Soviet in relations with Western investors. Particularly, the statement prohibits the government from receiving any credits without parliamentary approval or to do so without a program (indicating specific dates) for their utilization. At the same time, possible grants of funds against a pledge of land or natural resources of Russia is announced as invalid in advance. The position of parliament, observers think,

further complicates the procedure for the receipt of foreign credits whose size is already being constantly cut back by foreign investors.

The president's supporters, during the discussion of the text of the statement, managed to temporarily block its adoption, arguing that the document had not been discussed before in the Supreme Soviet and "may cause complications in international affairs." It was also found that even members of the committee for international affairs and foreign economic relations were not one in their assessment of this document. For example, committee chairman Yevgeniy Ambartsumov would not support the position of his deputy, Sergey Mikhaylov, stating that "the undermining of positions of the president of Russia on the eve of the meeting in Tokyo" was taking place. On a proposal of Deputy Supreme Soviet Chairman Valentin Agafonov, Sergey Mikhaylov was asked to take note of all possible observations, and submit the draft statement to parliamentary discussion once again. [Report contains following boxed text]

Supreme Soviet Draft Statement Stipulates That: [subhead]

—new credits should be received only with preliminary approval by the Supreme Soviet;

—ratification of international agreements entailing financial obligations for Russia is possible only upon the submission by the government of specific programs for the utilization of borrowed funds;

—all existing international agreements on provision of additional credits under a pledge of Russian land or natural resources shall be considered invalid;

—the continued discriminatory approach to Russian exports and imports introduced earlier by Western countries in inadmissible.

Supreme Soviet Bans Reorganizing Radio, TV

LD0807172893 Moscow ITAR-TASS in English 1503 GMT 8 Jul 93

[By ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow July 8 TASS—On Thursday morning [8 July] the Supreme Soviet (parliament) of Russia passed a resolution banning "the reorganisation, dissolution or privatisation of republican budget-financed state-run television and radio broadcasting networks and their structural subdivisions" as well as enterprises and organisations which are under the authority of the above-mentioned networks pending the final adoption of a Russian Federation law on television and radio broadcasting.

By the same resolution the parliamentary committee on mass media was instructed to expedite the elaboration of a television and broadcasting bill and bringing it up for the parliament's consideration.

At the afternoon session the deputies also voted for applying the resolution to the ITAR-TASS and RIA-NOVOSTI news agencies. This proposal was made by Gennadiy Sayenko, one of the leaders of the Russian Unity opposition bloc of factions.

The resolution takes effect from the moment of its publication.

Khasbulatov, Rutskoy Confer With Intelligentsia

LD0807192593 Moscow Russian Television Network in Russian 1600 GMT 8 Jul 93

[By M. Lillevyali; from the "Vesti" newscast]

[Text] Parliament speaker Ruslan Khasbulatov and Vice President Aleksandr Rutskoy held a conversation with the intelligentsia in the White House today. The intelligentsia at the meeting was represented by Yuriy Bondarev, Aleksandr Prokhanov, Petr Proskurin, Sergey Mikhalkov, and writers, poets, and composers.

Opening the meeting, Ruslan Khasbulatov said that the social and economic situation in society is causing him concern, and since the Supreme Soviet does not intend to allow the situation on the cultural front to worsen, he, the chairman, wants to hear the voice of the intelligentsia as to what to do next.

Unlike the speaker, the vice president, who has not yet become use to these meetings with the intelligentsia, was constrained and brief. He only noted that the crisis of moral and spiritual values in society has led to a rise in crime and the degradation of an individual. Therefore, emergency measures should be taken. The vice president did not specify what measures in particular.

However, DEN Chief Editor Aleksandr Prokhanov spoke with the straightforwardness characteristic of him. The resistance of the Russian people is growing, he said. A red zone of this resistance has been formed in Russia. It is very good, Prokhanov stressed, that the parliament speaker and vice president have joined our ranks. I am convinced that our parliament, our congress, and our soviet power are preparing a counterblow. I believe that you, Ruslan Imranovich, and you, Aleksandr Vladimirovich, will do the right thing at the hour of our final sorting out, Aleksandr Prokhanov said.

Regional Affairs

Chernomyrdin Views Shipbuilding in Severodvinsk

LD0807154993 Moscow ITAR-TASS in English 1357 GMT 8 Jul 93

[By ITAR-TASS correspondent Vladimir Anufriyev]

[Text] Arkhangelsk July 8 TASS - Russian Prime Minister Viktor Chernomyrdin arrived in the city of Arkhangelsk on Thursday afternoon.

At the airport he told journalists that the government would primarily give support to branches of the economy supplying raw materials and conversion programmes carried out by defence enterprises. "This is the very link in a chain that will put all others in motion," Chernomyrdin said.

From the airport Chernomyrdin went directly to the city of Severodvinsk - Arkhangelsk' "satellite" city, to visit a state centre of nuclear submarine shipbuilding located on the White Sea coast.

The most powerful defence shipbuilding enterprises are going through hard times with military orders cut down and considerable funds allocated to the industries undergoing conversion. Nuclear submarines, whose service life has expired, are being piled up in harbours pending utilization, which means that over 50 nuclear reactors are located within the boundaries of a city with a population of 250,000.

"I have to look at all this and look into the matter," Chernomyrdin said. He expressed his support of the activities of the "Roshelf" joint stock company, which intends to make orders for the construction of unique marine drilling platforms and other equipment for developing deposits of hydrocarbon raw materials on the shelf of Arctic seas, in particular, at Severodvinsk shipbuilding enterprises.

The area of Arkhangelsk is one of the main Russian centres of timber industry. It has been earlier announced that workers of the industry intend to go on strike. Chernomyrdin told journalists that he had signed a resolution on the timber industry, adopted by of the government. "This is one of traditional and profitable industries of the Russian economy, whereas we have made a blunder by not paying enough attention to it. At present, the situation is being improved. However, I would not like this step to be interpreted as a the government's concession made under the threat of a strike. Everyone is experiencing difficulties today, but we should primarily give support to those who pay off promptly, at once," Chernomyrdin said.

The prime minister pointed out that the recent 20-per cent tax levied on the restoration of forestry and which has aroused the strongest criticism, would not be canceled, as demanded by workers of the timber industry, but will remain at their disposal. "No matter what hardships we are going through, we must think about the future. And in this respect, timber is a unique raw material because it is restorable unlike oil and gas," Chernomyrdin said.

Later in the day, Chernomyrdin is expected to familiarize himself with defence enterprises of Severodvinsk. On Friday, he is expected to visit the main base of the Northern Fleet - Severomorsk.

Submarine Center Problems Viewed

LD0807193393 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 8 Jul 93

[From the "Novosti" newscast]

[Text] Viktor Chernomyrdin was in Severodvinsk, the Russian state center for nuclear vessel construction, on a working visit today. In effect, this is the only remaining place where submarines are built. The place is so secret that, despite our attempts at persuasion and regular shows on television, we were almost not allowed to film here.

We managed to find out about a few of the association's problems from a conversation with the management. Practically the whole town works at SevMash, along with people from 1,200 towns in the former Soviet Union. It has been in a state of suspense recently. The thing is that the financial cutbacks that affect the whole country have hit the submariners particularly hard.

First of all, deliveries have been disrupted. Submarines are tricky, in that construction stops if just a single nut is not in place. Even though submarines have been laid out—we saw them ourselves, and incidentally the state order for them has been reduced by a third—production deadlines are not being met.

Yet another problem is using them. The city is choking on dying submarines. Ninety-seven are ready to be written off, and 13 more are on the way. How to pay for this has still not been worked out. Using the submarine fleet depends on getting rid of nuclear reactors, but some of the by-products simply cannot be used because we do not have the technology. So shipbuilders are preparing to demand from the prime minister that a state program for building, repairing, and using submarines be adopted as soon as possible.

Yeltsin Down, Khasbulatov Up in Moscow Polls

PM0907092193 Moscow KOMSOMOLSKAYA PRAVDA in Russian 8 Jul 93 p 1

[Vasiliy Ustyuzhanin report: "If You Are Number Two—Count on Number One!"]

[Text] Two exclusive polls conducted by an analytical group of the magazine VOZROZHDENIYE have produced some interesting results. In six rayons of Moscow on 20 June and 1 July Muscovites were asked this question: "Which politician do you trust most?" Yeltsin's rating on 20 June was 23 percent but fell to 21.6 percent on 1 July. Rutskoy's rating fell from 21.3 percent to 20.6 percent (he slipped to third place in July). On the other hand, Khasbulatov's rating rose from 19.6 percent to 20.8 percent (up to number two). Zorkin's rating rose from 11.3 percent to 12.1 percent (he remains in fourth spot) while Chernomyrdin fell from 7.6 percent to 6.3 percent.

Confidence in Volskiy fell from 5.3 percent to 3.8 percent (but he remained in sixth place), Skokov's rating fell from 3.8 percent to 3.2 percent (down one place), while although Aleksey II went down just one-tenth of a percentage point in July (2.1 percent to 2.0 percent) he slipped from eighth to 10th place. Shakhray scored 2 percent in June but in July was not in the top 10 at all. Meanwhile two new names entered the top 10 in July—the rebel Guseynov with 3.5 percent (in at number seven) and the Admiral Kasatonov, former commander of the Black Sea Fleet but now out of favor, with 2.8 percent.

By all accounts the episode of the airplane (the ban preventing the speaker of parliament from using Chkalovskiy airport) cost the president dear (he lost 1.4 percent in the sympathies of Muscovites). On the other hand this episode boosted the Supreme Soviet chairman's rating by 1.2 percent. It is symptomatic that two military men have now appeared in the figures. If you take into account the presence of Rutskoy in the list and those captains of industry Skokov and Volskiy, the Russians' readiness for rigid self-determination should the problems of the disintegration of the state and social stratification become aggravated becomes abundantly clear.

We are not going to draw global conclusions on the basis of just two polls conducted in Moscow. But it is possible to say clearly that many politicians do not draw conclusions from other people's mistakes. Just recently "Gorbachev-style" political pressure elevated Yeltsin to seemingly unassailable heights. Now Boris Nikolayevich himself is doing his opponents that same service.

Maritime Kray Head on Vote Against Republic Status

LD0807143493 Moscow Mayak Radio Network in Russian 1216 GMT 8 Jul 93

[Excerpts] So will there be a republic in the Maritime Kray or not? This is what people's deputies were deciding in Vladivostok at a kray session today. Our correspondent Oleg Padenko has the details.

[Padenko] [passage omitted] Passions flared up at the session. Some wanted a Maritime Republic with its own president immediately, others denounced this. As it turned out, common sense prevailed. The majority of deputies called for a Maritime Kray with the status of a territorial-state formation within the Russian Federation. An appeal to the congress, Supreme Soviet, and president was adopted to this effect. Immediately after the session, I interviewed Russian People's Deputy Yevgeniy Ivanovich Nazdratenko, the new head of the Maritime Kray administration.

[Begin Nazdratenko recording] I believe that no referendums whatsoever need to be held on the territory of the Maritime Kray, nor should the population be excited or worried any more than necessary. At present, we are preoccupied with economic tasks here. The winter lies ahead and it could turn out to be simply terrible. I believe that the decision not to set up republics here—with umpteen presidents—shows that the common sense of deputies has prevailed. This decision has not gone through and a well-considered decision has been passed to draw the attention of the government to the fact that things are very difficult in the kray and that there are specific territorial problems. In other words, that decision was not adopted and there is no mention of a republic in the official document passed by the session today, a document that will be sent to the president of Russia. There is a united and indivisible Russia and the Maritime Kray is within Russia. This means there should be no presidents whatsoever on the territory of the Maritime Kray. There should be only one president of the Russian Federation. All the rest are krays, oblasts, or nation-state formations, so to speak, which are only distinguished by, say, having their own culture or, say, language, their own traditions and customs. Economic conditions, on the other hand, should be equal for all. I believe that it is this inequality, laid down in the previous constitution, as well as any reluctance by the republics to listen to the krays and oblasts, which is causing these passions today. [end recording]

[Studio announcer] Let me remind you that a provision on the status of a territorial-state formation within the Russian Federation that the Maritime Kray has adopted for itself at its session today is included in the draft of the new constitution drawn up by the Constitutional Conference.

Warns of Strike

OW0907020893 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0715 GMT 8 Jul 93

[From the "Pacific Ocean" Program]

[Text] Yevgeniy Nazdratenko, head of the Maritime Kray administration, in a local TV appearance said that the Russian Federation government and president do not realize the full seriousness of the economic situation in which the Maritime Kray finds itself after the increase in the price of energy. However, he said that he had already had consultations with trade union movement representatives on the possibility of a Kray strike if the Federal government does not take a step toward satisfying Kray interests.

Chelyabinsk Soviet Circulates Decision Supporting Republic

LD0907082193 Moscow ITAR-TASS World Service in Russian 0721 GMT 9 Jul 93

[By ITAR-TASS correspondent Yevgeniy Tkachenko]

[Text] Chelyabinsk, 9 July—The press center of Chelyabinsk Oblast Soviet today gave journalists a decision "On the State and Legal Status of Chelyabinsk Oblast and on transforming it into the South Urals Republic [Yuzhnouralskaya Republika].

In order to "effect the economic and social development of the oblast and enhance its state and legal status as an independent constituent entity of the Russian Federation," the decision provides for "supporting the initiative of people's deputies concerning the transformation of the oblast into the South Urals (Chelyabinsk) Republic and for building relations with the federation on the basis of a special treaty." The local authorities have been instructed to carry out a public opinion poll and to make their own proposals on this issue known by 15 September this year.

Aleksandr Salomatin, deputy chairman of the oblast soviet, who signed the decision, told an ITAR-TASS correspondent that the appearance of this document has been caused by the fact that the Constitutional Conference, underway in Moscow, fails to take account of the oblast soviet's demand concerning the necessity of equalizing the rights of the constituent parts of the federation. The second aspect, which is no less important, is the fact that the president has not recognized the results of the elections of the head of administration of Chelyabinsk Oblast.

Sverdlovsk Oblast Not Breaking Away From Russia

PM0807145093 Moscow ROSSIYSKAYA GAZETA in Russian 6 Jul 93 First Edition p 2

[Report by correspondent Dmitriy Usachev: "From Oblast to Republic Is Just One Step"]

[Text] Yekaterinburg—On the evening of 1 July a "major" session of Sverdlovsk Oblast Soviet adopted by a majority of votes a declaration on changing the status of Sverdlovsk Oblast. The oblast is now the Urals Republic within Russia. It will have a Constitution, a Council of Ministers, and a parliament. The doors of the Ural Republic are open to all five oblasts in the Urals region.

At a press conference held the following day, Governor Eduard Rossel repeated several times that the oblast is not breaking away from Russia by doing this, but, on the contrary, is promoting the real integrity of the state through this decision. In the opinion of the "founding fathers" of the Ural Republic, this decision will help to sober up the nationalist politicians in the republic, who talk to federal bodies exclusively in the language of ultimatums.

Those holding the press conference explained that the documents do not touch on the sovereignty of the Ural Republic, and only a united Russia is deemed sovereign everywhere. The oblast intends, through its unusual action, to win political and economic rights for itself in order to pursue the reforms properly, since federal legislation is lagging behind the processes of reform of society and the economy.

The leaders of Sverdlovsk Oblast have often enough been heard to express dissatisfaction with the existing situation as regards contributing funds to the federal budget. Sverdlovsk Oblast is, as Eduard Rossel put it, one of the "breadwinning" oblasts from which far more is exacted for federal needs than is left for the oblast's own needs.

As Oblast Soviet Chairman Anatoliy Grebenkin told journalists, there is not much chance of the Congress of People's Deputies adopting by a two-thirds majority an amendment to the existing Constitution recognizing the Ural Republic. But all the same, we will follow our path. After all, there are examples of autonomous okrugs declaring themselves republics and beginning to be known as such without having gone through hearings at the Congress. If they don't want to recognize it they don't have to, the Ural Republic will exist all the same.

According to Anatoliy Grebenkin, the president of Russia and his team have nothing to do with Sverdlovsk Oblast Soviet's decision. The day after the adoption of the declaration proclaiming the Ural Republic, none of the leaders of federal bodies—neither Yeltsin, nor Khasbulatov, nor Chernomyrdin—called Yekaterinburg.

Will this step by the Sverdlovsk deputies promote the stabilization of society and the development of the constitutional process? Yes, the Yekaterinburg leadership believes it will.

Yakovlev Comments on Republic Proclamation

LD0807112393 Moscow ITAR-TASS in English 0853 GMT 8 Jul 93

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow July 8 TASS—The proclamation of the Urals Republic by the Sverdlovsk regional council is a tactical step in the struggle for a new law, which should ensure equal rights for all members of the federation, said Aleksandr Yakovlev, a well-known political scientist and chairman of the Commission for the Rehabilitation of Victims of Political Repressions at the Office of the Russian President. In his opinion, the essence of the problem is that the regions are trying to act according to the principle "get more and give less". "In conditions of economic instability the selfish principle 'the one who is more rich demands more rights for himself' is becoming popular," he told ITAR-TASS.

Such actions of some members of the federation may induce chauvinists to kindle dangerous feelings in society, Yakovlev warned. "The continuing process of proclaiming sovereignty by separate regions and territories has long become a political gamble, with some unscrupulous politicians (to put it mildly) using it for gaining political capital," he stressed. The developments in the Sverdlovsk region may create a dangerous precedent in society, with other regions willing to take to the same path for imposing their ideas. According to Yakovlev, in this case the equality of rights will be introduced de-facto instead of de-jure.

Yakovlev is positive the constitutional conference is capable of settling the so-called "Sverdlovsk precedent" and remove contradictions between the centre and members of the federation.

Regional Officials Oppose Separatism

PM0807145993 Moscow ROSSIYSKAYA GAZETA in Russian 8 Jul 93 First Edition p 2

[Feature comprising comments by Vladimir Saganov, chairman of the Buryat Republic Council of Ministers, Mari El President Vladislav Zotin, and Anatoliy Lisitsyn, head of Yaroslavl Oblast administration; place and date not given; published under the "Regional Politics" rubric]

[Text] Probably the Ural phenomenon, which has already stirred the imagination not only of federal but also of regional politicians, will soon force both to think seriously about what kind of Russian federative system there should be.

Do the regional politicians who signed the Statement of the Forty realize that the incipient process does not have a clear direction and could become uncontrollably spontaneous?

It is worth asking the republics.

Vladimir Saganov, chairman of the Buryat Republic Council of Ministers:

"Do I welcome the appearance of a new republic? How can I welcome it if what has been done in Sverdlovsk Oblast is the beginning of Russia's disintegration. If such principalities spring up everywhere Russia will be thrown backward—toward an internecine war between blood brothers. But if you look at the prospects more optimistically and contemplate, for instance, a kind of federation of Russian states in the future, do not expect anything good in that case. Nobody will listen to anybody, everyone will cocoon themselves, and the president will find himself in the role of a scolding and cajoling granny.

"When people talk of inequality allegedly existing between oblasts and republics, this bears little resemblance to the real state of affairs. We are just as deprived of rights vis-a-vis the center and it takes the same lion's share of tax receipts from us as from them. Many krays enjoy far more rights than we do and the right to show economic initiative. In Russia there is generally a uniform tax rate. So we are paying 75 percent whereas it should be the other way around—75 percent to us and 25 percent to the center. We do not have the resources. Under the government decree on measures to support our republic's economic development adopted 25 March this year we should have received 30 billion rubles [R], but we received R3 billion. I personally went to see Boris Fedorov, Viktor Gerashchenko, and others. In vain!"

Mari El President Vladimir Zotin:

"Are we ready to admit the Ural Republic into what you call our 'family circle?' But who have we got in the family of Russian republics? Russians, Mari, Yakuts, Bashkirs, Tatars, and so on. And in the Ural Republic? The selfsame Russians! Each republic in our country is a national-state formation. That is the crux of the matter! The Ural people did not think this through properly.

"This mass yearning for sovereignization is taking us to the absurd. Our Mari living in Bashkortostan come to me and ask: 'What if we created our own autonomous republic?' I reply: 'Excuse me, but then we would have two Mari Els!' Absurd? Totally.

"There must, I agree, be equality among everybody in socioeconomic relations, equal economic autonomy and initiative, identical budgetary and taxation powers, and so on.

"Let me say something else. Separatism is inappropriate in such matters. After reading the Statement of the Forty, I went to Sergey Shakhray with a request to discuss everything collectively. To get oblasts together separately and republics together separately, then to get everyone together and thrash out common principles.

"The situation regarding republics is not as easy as some people imagine. Economic levels and economic leeway in oblasts and krays differ, and they also differ in republics. We give the center 60 billion out of the budget's 90 billion, leaving us with 30. Where are our privileges? We concluded a treaty with the Hungarians and the government reprimanded us!"

Anatoliy Lisitsyn, head of Yaroslavl Oblast administration, has made an appeal concerning the proclamation of the Ural Republic.

"We are witnessing a new 'parade of sovereignties,'" Lisitsyn believes. "Vologda Oblast has declared itself a state-territorial component and Sverdlovsk Oblast has declared itself a republic. Similar decisions in other Siberian and Ural regions are in the offing. Will the Russian Federation become more stable because of this? The fragile equilibrium achieved as a result of the Constitutional Conference's work could be upset. The question on the status of the Federation's components, the most complex and potentially explosive question, can be solved only on the basis of mutual agreements."

"While demanding additional powers, have we properly learned to use those we have?" Lisitsyn asks. "I, like many regional leaders, am concerned by the painful problems of entering the market and now, when the situation is stabilizing and when real signs of a new economy are appearing, political extremism is ruinous."

International Affairs

Kuchma Wants 'Profound Links' With USSR, CEMA

PM0807180693 Moscow PRAVDA in Russian 9 Jul 93 p 2

[Interview with Prime Minister Leonid Kuchma by Viktor Drozd in Kiev; date not given]

[Text] The increasing difficulties faced by Ukraine have brought new urgency to the question asked by L. Kuchma last year: "What kind of society are we building?" The question remains unanswered, but at the same time the attacks on the head of government have been stepped up. Has this campaign affected Leonid Kuchma's position? This is how he replied to your correspondent:

[Kuchma] Not in the least. I stick to my guns. Until we make it clear and tell people honestly what kind of house we are building and who is going to live in it and how, I do not see any point in starting to cart bricks and mix mortar. We set about our work with no detailed plan, hugging the thought of fabulous wealth and a free and easy life in an independent state. To all questions of detail (are we acting within our means, have we taken account of the real world around us) we reply with generalizations: We have laid the foundations, people say, of a sovereign, transitional-period edifice. That is no answer. Until we have an answer, we can, as the poet said, talk and argue to the point of exhaustion about the reasons for our difficulties. In Lugansk, people angrily told me off: You people "up there" say fine things about your concern for the people, but the way things are going, one "fine" day we will wake up and find that new magnates have gotten their hands on everything and we are ruined....

[Drozd] How do you reply?

[Kuchma] It is already almost a reality.... And I make no secret of the fact that I, as a deputy, share the blame for the fact that the Supreme Soviet has often adopted laws now with "socialist" and now with "capitalist" leanings. Again, this is because we have not defined what kind of state we are creating. Sovereignty, as I understand it, means first and foremost a state with its own face and its own, original domestic and foreign policy. That is the guarantee of the respect of fellow citizens and the source of prestige in the world community. Naturally, there are forces in both Russia and Ukraine which would like to destroy the peoples' fraternity. They are the ones that demand that the authorities "drop" their "little brothers" or that they stop "feeding Russia." A clever plan. But that policy is shortsighted and pernicious. And ignominious for politicians. It backfires. In the form of strikes, so far....

[Drozd] But surely politicians cannot prevent a social explosion?

[Kuchma] I see one solution, and I have said so repeatedly: We must establish profound links as quickly as possible with the countries that belonged to the USSR and CEMA. The first to realize that we cannot go on like this and to start "building bridges" were the industrialists, farmers, and scientists of the CIS countries. It is a natural desire.

Life itself is putting the politicians straight. So the hour has struck for the politicians: Assurances of friendship are not enough, it must be strengthened. Directly, by practical action. You have to link arms not against someone but for the sake of your own survival. The intelligentsia ought to realize that too. In sovereign Ukraine, it ill behoves them to indulge in "national self-torment" and keep on mourning for Ukraine. I think there is a far nobler task for the creative intelligentsia: to do everything possible to ensure that a mighty, moral, creative impulse is generated in Ukraine.

[Drozd] Maybe it is because for many people in Ukraine things are hard, unsettled, and there is no confidence in the future?

[Kuchma] I prefer a different view: If your cause is just, look straight ahead. Since we have set about building a sovereign state, we must jettison everything that is trivial, personal, and self-interested. Especially since far from easy times are ahead for Ukraine. I said so frankly at the Supreme Soviet. Many deputies already realize that sovereignty is not bombastic arrogance, but a range of opportunities worthy of a great power. Some politicians cannot resist the temptation to flex their verbal muscles.

[Drozd] There is less and less faith in such people.

[Kuchma] Yes, my meetings with miners and villagers confirm that their confidence in words is declining. If we do not come to our senses, great upheavals are in store for Ukraine's economy. True, yet again there is a glimmer of light. Good draft documents have been drawn up in Minsk on deepening economic ties between the CIS countries. I think these should be coordinated with the former CEMA countries right now.

[Drozd] Leonid Danilovich, you have declared your intentions. But no decisions have been made yet. What next?

[Kuchma] I proposed that the question of what kind of society we are building be put to a referendum. The trade unions have expressed the same view. Work is under way at the Supreme Soviet commissions on the questions for a future referendum. So things are moving. The people and only the people are entitled to "commission" a state system. It is now a matter of listening to people and not insulting them with "prompts" that suit certain politician forces and "foreign" advisers. Still less should we threaten people with socialism, by saying look, we have already experienced that.

[Drozd] But people shudder at the very mention of socialism.

[Kuchma] If people do not like the term, we could call our system, say, popular democratic. The point is for the people of Ukraine to accept this system. If our academics cannot propose a model for such a system, why not bring together all the best aspects of our own and worldwide experience? And incidentally the world has borrowed much from the theory of socialism, it has learned to "shell out" some of its profits to the workers. Not out of charity, but for the sake of self-preservation, for the sake of survival.

[Drozd] What is your choice? Recently there has been a lot of speculation about your resignation...

[Kuchma] The gossip is on the conscience of your colleagues and those who "dropped hints" to them. In Dnepropetrovsk I stated that I came into the government to do a job, not to fulfill extraordinary missions. I want people to know that Ukraine's economy cannot withstand world prices. That means that we must urgently find a political solution to the problems that have arisen with Russia. My position will depend on that.

Tarasyuk Criticizes Western Views of Kiev's Nuclear Stance

PM0807160693 Moscow IZVESTIYA in Russian 9 Jul 93 First Edition p 1

[Report on interview with Deputy Foreign Minister Borys Tarasyuk by Irina Pogodina in Kiev; date not given: "Ukraine Is Reconsidering Its Promise To Become a Nuclear-Free State. The World Is Worried"]

[Text] The emergence of the state of Ukraine in central Europe has become a kind of test of the legal and political principles declared and implemented by the world community. Ukrainian Deputy Foreign Minister Borys Tarasyuk comments from this point of view on the present and future international situation of Ukraine, its foreign policy, and in particular its bilateral relations with Russia.

The sensational tone in which certain observers depict the simple fact that the Ukrainian Supreme Soviet, in its recently adopted basic foreign policy guidelines, reaffirmed Ukraine's right of ownership of the nuclear weapons it inherited from the USSR is, in Borys Tarasyuk's opinion, an expression of the aforementioned Western legal nihilism. Being reluctant to apply to the division of the USSR's property the principles enshrined in the 1978 and 1983 Vienna conventions relating to the division of the property of states that break up, and recognizing for Russia alone the right of succession and even the role of "continuer" of the USSR, the West not only shrugged aside Ukraine's rights, but continued the chain of mistakes made previously with regard to Yugoslavia. As a result, a number of Western states are left with no alternative but to frighten themselves and their partners with the threat of nuclear weapons proliferation emanating from Ukraine. Although the right of ownership of the "inherited" nuclear weapons has nothing to do with the provisions of the Nonproliferation Treaty, which deals with importation, manufacture, purchase of components, and so forth.

On the contrary, by removing all ambiguity over the fact of ownership of nuclear weapons, Ukraine is demonstrating consistency in maintaining these weapons under the operational control of the CIS joint strategic command while also having the potential to only block the launch of these missiles, but not to launch them or proclaim any intention of acquiring that potential.

At the same time people in Ukraine itself are increasingly clearly recognizing, B. Tarasyuk believes, that the nuclear heritage means, first and foremost, enormous additional problems. Ukraine is the first to be obliged to pay for world nuclear policy, for the arms race between the West and the USSR. The worst thing is that today the prospect is emerging of a sharp polarization of domestic political forces over the economic factor in the country's nuclear or nuclear-free status. This will unfortunately exacerbate the already critical situation in Ukraine, which is again subject to the threat of the loss of statehood. All the same, Borys Tarasyuk thinks, there is hope that the "nuclear-free" idea will prevail, if not as the most advantageous idea today, then at least as the most truly promising for Ukraine and the world.

Morozov Arrives in Sevastopol, Comments on Black Sea Fleet

LD0807175493 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 8 Jul 93

[Text] Sevastopol: Ukraine's Defense Minister Colonel-General Kostyantyn Morozov is here on a short working visit today.

He took part in a session of the Military Council of the Naval Forces of Ukraine. Before the session the minister met with journalists.

He stated that his arrival should not be associated with any special decisions to be taken. We have come to do some usual routine work, to hear the officers, to assess the state of things, and to adjust plans adopted and decisions taken, Kostyantyn Morozov said.

Answering questions from journalists, he noted that his attitude toward actions by Admiral Eduard Baltin [Black Sea Fleet Commander], who is in control of the Black Sea Fleet situation, was that of respect. As for the expected division of the fleet, the head of the Ukrainian military department associates his hopes with successful work to be carried out by experts and the Coordinating Commission.

Kostyantyn Morozov dismissed fears of shipyards and repair works being left idle after the division of the fleet. Ukraine has the capability to load them up with work. Besides, it is ready for Russian orders to be placed there.

The minister recalled that a program of building new ships for the Naval Forces of Ukraine was being carried out alongside the division of the fleet.

In conclusion, Kostyantyn Morozov once again confirmed that his position was that the part of the fleet that was to become Russian should not be based at Ukrainian ports.

Terms Fleet's Division 'Favorable'

WS0907075893 Kiev UNIAN in Ukrainian 1800 GMT 9 Jul 93

[Text] At an expanded session of the Military Council of the Ukrainian Navy, Defense Minister Kostyantyn Morozov assessed the agreement signed in Moscow by the Ukrainian and Russian presidents on the division of the Black Sea Fleet, as favorable for Ukraine. He pointed out that the agreement helps Ukraine proceed with its policy aimed at the creation of an autonomous fleet. Aside from the ships received by Ukraine as a result of the division, the Ukrainian Navy will receive 10 new ships constructed at the Ukrainian shipyards. With regard to the personnel, every officer must choose for himself which navy to serve in. Kostyantyn Morozov confirmed his decision that stipulates that ships allocated to Russia will have to abandon Ukrainian territorial waters. This group includes auxiliaries that have hoisted St. Andrew's flags. However, this decision must be approved by the political leadership. At the same time, Kostyantyn Morozov spoke in favor of the joint use of Ukrainian shipyards for military shipbuilding. In his opinion, this will help preserve the shipyards' production potential and assist in granting contracts.

Gas Expert Interviewed on Pipeline From Iran

WS0807112393 Kiev KIYEVSKIYE NOVOSTI in Russian 2 Jul 93 p 9

[Interview with Valentyn Kolomeyev, director for gas export and shipments at Ukrhazprom Production Association, by Vadim Feldman: "Alternative Gas From Iran"; place and date not given]

[Text] [Feldman] What are the chances that a pipeline from Iran will be built?

[Kolomeyev] I want to remind you that some time ago, the Ukrainian Government specifically earmarked $1.8 million as the Ukrainian contribution to the tripartite Ukrainian-Azerbaijan-Iranian company created for designing and building a pipeline. Its length from Iran to the Ukrainian border will be about 4,000 kilometers. In the opinion of our experts, the first stage will be completed in about a year. During this time, the technical and economic feasibility of the project will be assessed. Then, Ukraine will start designing the pipeline. The Republic is capable of doing this by means of its own design bureaus. We have three powerful institutes—Kiev Ukrgazproekt, VNIPITransgaz, and Donetsk YuzhNIIGiprogaz.

[Feldman] With regard to a complicated situation in Transcaucasia and the Northern Caucasus, would it not be better to lay down the pipeline bypassing the areas of unrest? Say, via Turkey, Bulgaria, and Romania.

[Kolomeyev] We discussed this variant. However, preference has been given to the route via Azerbaijan and the Russian Federation. The main difficulty would not be crossing the Bosporus on the border between Asia and Europe. The most complicated part would be overcoming the mountainous areas of Turkey.

Azerbaijan is one of three participants in the joint project, and it has economic interest in the project's successful implementation. With regard to Russia, we have complicated negotiations ahead of us on both the route of the pipeline and payments for transit of gas via Russian territory.

Not long ago, by means of the Ukrainian Foreign Ministry we forwarded our proposals to the Russian side regarding the route of the future pipeline. Now, we are waiting for a response from Moscow.

National Affairs

Kuchma Favors Introducing 'State of Economic Emergency'

LD0807170093 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 8 Jul 93

[Text] Prime Minister Leonid Kuchma's news conference on his tour of Estonia and Lithuania was held in Kiev.

The prime minister expressed satisfaction with his visit to the two Baltic countries. Quite a few questions from journalists dealt with the current economic situation in Ukraine. Answering these questions, Leonid Kuchma noted in particular that a sharp increase in prices of energy sources is the main cause of the crisis. The prime minister stressed that the economic situation in the country is bound to deteriorate since prices of energy sources will rise on a monthly basis.

The prime minister said that favors introducing a state of economic emergency. In his opinion, Ukraine is sliding into an abyss. Leonid Kuchma noted that preserving statehood is at issue today. He also stressed that every measure should be taken for the hryvnya to be brought in circulation this year.

Kravchuk Opposes State of Emergency

LD0807170593 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 8 Jul 93

[Text] The economic situation in Ukraine is quite alarming, and I am ready to act most resolutely, Leonid Kravchuk stated at a joint conference of regional representatives of the president, members of the government, and leaders of some of the enterprises, held in Kiev today.

In spite of the complex economic situation, the president of Ukraine spoke against introducing a state of emergency in that country. It can only be introduced by the parliament, which will not do it. That is why other ways out of this predicament need to be found.

Leonid Kravchuk stated that he will not rely on any political force in particular, but on a strong executive power, as well as the corps of directors, who are people of their word supported by action.

Leonid Kravchuk stated that representatives of the president were fully subordinated to the Cabinet of Ministers. Their plenary powers have also been widened. In particular, they have been put in charge of customs services.

Donetsk Miners Suspend Strike Until After Referendum

PM0807125593 Moscow IZVESTIYA in Russian 2 Jul 93 First Edition p 2

[Nikolay Lisovenko report: "Strike Should Be Considered Suspended—for the Time Being"]

[Text] Donetsk—Despite the agreement between the leaders of the strike movement and the Ukrainian Government, some miners' collectives are continuing the strike.

As of 30 June, 13 mines and mine administrations out of 250 were not extracting or dispatching coal. During the past day they failed to produce approximately 35,000 tonnes of fuel in addition to the 4 million tonnes that the republic's national economy has not received as a result of the strike, the losses from which amount to approximately 110 billion karbovanets for Ukraine.

A pointed discussion of the results of the Donbass-wide strike is continuing in miners' collectives. Some approve of the government's steps, while others censure them. Donetsk City Strike Committee has agreed on a compromise solution: To consider the strike suspended through 26 September, when the all-Ukrainian referendum on confidence in the president and the Supreme Soviet is held. But if the government resorts to a new sharp price hike during this period, the strike committee warns that it will again urge the coal miners to stop the sector's work.

Sevastopol Bomb Scare Linked to Rising Tensions

WS0907094193 Kiev UNIAR in Ukrainian 1700 GMT 8 Jul 93

[Text] The 7 July session of the Sevastopol city council was interrupted by an anonymous telephone call saying that an explosive had been planted in the building and that the explosion was scheduled for 1500. Explosives experts that arrived at the session hall did not find anything. Local observers link this event to an attempt on the life of presidential representative Oleksandr Yermakov and to Deputy Ivan Kruhlov's pleas to the male population of Sevastopol to form self-defense detachments. According to observers, the provocations are aimed at increasing tension in the city on the eve of 9 July discussion of the status of Sevastopol at the Russian legislature.

Crimea Prepares for Presidential Elections

WS0807130993 Kiev UNIAR in Ukrainian 1030 GMT 8 Jul 93

[Report attributed to RUKH-PRESS]

[Text] Political observers do not rule out that presidential elections will be held in the Crimea during the all-Ukrainian referendum. Active work of the Crimean legislature on drafting a law on the presidency testifies to this. According to experts' forecasts, Crimean Supreme Soviet Chairman Mykola Bahrov and Volodymyr Shevtsov, chairman of the Party of Economic Revival of the Crimea, called "the party of big shots" on the peninsula, are the most likely candidates.

Belarus

Supreme Soviet Ends Session Without Completing Agenda

WS0807142693 Minsk BEL. NFORM in Russian 1235 GMT 8 Jul 93

[Text] Having left the discussion of some pressing issues on the agenda unfinished, the 12th session of the Belarusian Supreme Soviet has completed its work. There are at least two reasons for the failure to complete all the items on the scheduled agenda. The majority of the deputies are not working on a professional basis and they were willing to complete as soon as possible the session that had continued for more than a month and a half. On the other hand, the deputies corps, which lacks unanimity with regard to the concept of Belarus' further development, has found itself at a dead end while discussing a large number of issues. These include a new constitution, a draft on the committee of state security, and a number of laws envisioning economic reform. For example, the deputies adopted a law on personal privatization vouchers, but a resolution determining the mechanism for introducing the document was not adopted, although the debates lasted many hours. The resolution of the issue of introducing a presidency has also been postponed until fall. An attempt by a group of deputies to bring forward the issue of Stanislav Shushkevich's resignation from the post of Supreme Soviet chairman has failed.

Shushkevich on Currency, Political Future

LD0807190293 Moscow ITAR-TASS in English 1718 GMT 8 Jul 93

[By BELINFORM correspondent for TASS]

[Text] Minsk July 8 TASS—"We are not going to engage in financial gangsterism", Belarusian Parliament Chairman Stanislav Shushkevich told a press conference on Thursday when asked whether the republic was planning to introduce its own national currency. He said this was not the sort of problem to be solved by parliament alone. National currency is a matter affecting inter-state interests, which is to be first of all agreed upon with Russia.

Summing up the results of yesterday's session of the Belarusian Supreme Soviet, Shushkevich noted that inner parliamentary differences were hampering the normal process of lawmaking.

"In many questions, I don't side with either party", the parliament speaker said. "I have my own viewpoint. And I don't want to be the leader of either the majority or the minority in the Supreme Soviet".

Shushkevich was also asked whether it was possible that the opposition, which supported him last week, in case of repeated vote of no confidence would team up with the parliamentary majority, which is to determine the speaker's destiny. Shushkevich answered that "our parliament is not so poor (in good politicians). If a suitable person turns up, who will work better for the good of Belarus, I will submit to this decision".

Kebich Meets With Interior Ministry, Security Chiefs

WS0907095493 Minsk Radio Minsk Network in Belarusian 0300 GMT 9 Jul 93

[Text] Belarusian Prime Minister Vyacheslav Kebich met with the chiefs of the departments of the Belarusian Interior Ministry and Belarusian Committee for State Security which are engaged in the battle against economic crime and corruption. As before, troublemakers from Caucasian states, extortionists, and Mafia members are flocking to Belarus. In addition, Belarus is a convenient country for international drug traffickers. The participants of this session have formulAted a number of urgent measures, which would bolster the work of law enforcement organs combating crime and corruption and improve the general state of affairs in the sphere.

General Prosecutor on Protecting Army Property

WS0907095393 Minsk Radio Minsk Network in Belarusian 0300 GMT 9 Jul 93

[Text] A joint session of the Belarusian Defense Ministry Collegium and the Belarusian General Prosecutor Office was held. The participants at the session discussed measures for the protection and maintenance of military property and analyzed the causes of law violations. The number of law violations has lately increased 1.5-fold. In 1993, 12 officers and two warrant officers have been transferred to the reserves ahead of schedule. Fifty one servicemen have been tried for embezzlements. The participants of this session have formulated a number of urgent measures to protect military property.

Moldova

Snegur, Russia's Yerin Discuss Ties, Reform, Crime

AU0907073093 Chisinau BASAPRESS in English 1731 GMT 8 Jul 93

[Text] Chisinau, BASAPRESS 8/7/1993—General Viktor Yerin, the minister of interior of Russia, arrived today in Chisinau. He will have meetings with the top leadership of the republic. General Yerin declared at the airport to journalists that many articles from documents recently signed between corresponding ministries of Russia and Moldova need serious editing on account that they have lost their connection with the present. This is the reason why a new agreement between Russian and the Moldovan ministry of Interior is planned to be concluded. "We cannot proceed to the creation of an inter-state structure; however, there exists a main agreement between ministers regarding the institution of a

body which will allow us to coordinate our activity in the sphere of defeating organized crime. But this question is not included in the agenda of today's meeting," clarified Yerin, while being questioned by a BASAPRESS reporter. The Russian minister of interior underlined that during the meeting with officials of the Republic of Moldova, they will discuss way of achieving certain practical objectives.

While referring to Ilascu's trial from Tiraspol, Viktor Yerin, the Russian minister of interior, did not doubt the legality of the jury which examines Ilascu's case. He explained that "such trials take place in Russia within regional courts which possess certain privileges." At the same time, General Yerin declared that Russia recognized the territorial integrity of the Republic of Moldova. Therefore, the trial from Tiraspol is an internal matter for the republic, which Moldova has to resolve as a unitary state, concluded Yerin.

The press service of the president declared that today, during the meeting between the President Mircea Snegur and the Minister of Interior of the Russian Federation Viktor Yerin, they expressed their opinions concerning the social and political situation between those two states. It was pointed out that the creation of new legislation related to the process of democratization of society doesn't mean rejecting principles respecting public order. During the meeting, it was stressed that the Ministries of Interior of those two states are facing great problems in the domain of fighting criminals and hard crimes. Mircea Snegur expressed that the agreement concerning collaboration between the Ministries of Interior from Moldova and Russia will greatly contribute to the fight against criminals. Referring to the present situation in the Southern regions of Moldova, Snegur declared that Russian can positively influence leaders striving for federalization of Moldova. At the present this activity is possible because many international missions which visited those regions didn't register cases of breaking human rights by constitutional bodies, states the cited source. Snegur declared that the stabilization of the situation and approval of special judicial status for those regions will be a serious step toward privatization and introduction of the national currency.

Today in Chisinau, an interministerial agreement of collaboration between the Republic of Moldova and the Russian Federation in the domain of organizing the fight against organized crime was signed. Constantin Antoci, the Moldovan minister of interior, stated that this agreement amongst other points includes training of police officers at the high police schools in Russia. "At present there are 77 future police officers who study at Russian Police High Schools in Moscow," stated Antoci. This agreement assumes cooperation in the problems concerning exchange of information and presenting technical assistance. Viktor Yerin, the minister of interior of Russia, declared that the problem of the presence of Russian Cossacks in Dniester is out of his competence. "We don't consider Dniester as part of the Russian Federation. This problem is up to the Ministry of Interior of Moldova," underlined Yerin. Antoci added that the signed agreement doesn't include the point concerning mutual exchange of prisoners.

Police To Cooperate With Ukrainian Militia

AU0807154193 Chisinau BASAPRESS in English 1720 GMT 7 Jul 93

[Text] Odessa, BASAPRESS 7/7/1993—The Regional Internal Department of Odessa elaborated a project of agreement concerning collaboration of state departments responsible for keeping public order in the regions situated at the borderline of Odessa region and corresponding sections of the Republic of Moldova, communicated to a BASAPRESS reporter General-Major Vladimir Govorun, the head of the Regional Internal Department. Contracts will be concluded directly with the regional institutions of Moldova and those of the self- proclaimed Dniester Republic. In general, collaboration will be realised on the basis of the agreement signed by the Ministries of Interior of Ukraine and Republic of Moldova. Govorun added that after some time Moldovan policemen troops which operate at Reni's sector of the railroad (district Odessa) will be replaced by road militia from Ukraine.

Kazakhstan

'NATO Experts' Visit Almaty

LD0707163693 Almaty Kazakh Radio Network in Kazakh 2300 GMT 6 Jul 93

[Text] A group of NATO experts, including the permanent representative of Turkey in this organization, Ambassador Tugay Ozceri; Yerik Bruce, director of the Department of Press and Information; and Lieutenant General Flomer, the Netherlands Military Committee representative, has visited Almaty.

A news conference was given by them in the afternoon on 5 July at the Turkish embassy. Answering questions from journalists, the experts reported that prior to their trip to Kazakhstan, they had visited Uzbekistan, Turkmenistan, and Kyrgyzstan. The purpose of their visit is to assess the situation in Kazakhstan and to familiarize the people of Kazakhstan with the new NATO concepts. On the same day, the NATO experts met with the scholars and representatives of the public in the capital of Kazakhstan. They described the work of the North Atlantic Cooperation Council of the NATO Military Committee. In the morning of 6 July the NATO representatives left Almaty.

Law on Defense, Armed Forces Effective 8 Jul

LD0807163093 Moscow ITAR-TASS World Service in Russian 0745 GMT 8 Jul 93

[By ITAR-TASS correspondent Vladimir Akimov]

[Text] Almaty, 8 Jul—The Law of Kazakhstan on Defense and the Armed Forces that has been passed by parliament comes into force from today. The law lays down the most important foundations for the organization of the defense of the republic, and the range of powers of the bodies of state power and administration in dealing with defense-related matters, and the obligations of enterprises, institutions, organizations, public associations, officials, and citizens for reinforcing defense capability. At the same time the law defines precisely the role, place, and tasks of the national armed forces within the overall system of ensuring the security of the state, the procedure for staging defense exercises, and the relationship between the armed forces and the troops of the CIS strategic forces.

In this context, defense is viewed as a range of measures aimed at creating the conditions necessary to prevent armed attack, and organize an effective rebuff to possible aggression. Defense is to be organized entirely in strict accordance with the military doctrine that was announced earlier, which as you know, is oriented exclusively toward defense.

According to the law, the republic's armed forces will include infantry, air defense troops, an air force, naval units and formations, rear forces, an administration, civil defense units, border, and internal troops. These should be formed on the basis of a universal military obligation and a contract system.

The president of the republic is the supreme commander in chief of the armed forces. The Supreme Soviet and the government also take general charge of defense within a specifically defined area of competence.

One detail of no small importance: Political parties and movements are categorically forbidden to be active in the armed forces of Kazakhstan.

President Issues Resolution on Exported Goods Payments

LD0807181293 Almaty KAZTAG in Russian 1400 GMT 8 Jul 93

[Text] **RESOLUTION of the president of the Republic of Kazakhstan on regulation of payments for products exported from the Republic**

The situation with regard to payments and the settlement of accounts in the national economy has greatly deteriorated. Kazakhstani enterprises export supplies of raw materials and finished products without examining the consumers' ability to pay, which leads to constant predicament with regard to finances and demands ever-increasing loan investments.

A number of Kazakhstani enterprises exporting their products to Russia leave the earned Russian currency at Russian banks. All this has brought about an increased negative balance of accounts in trading with Russia, and has delayed or discontinued the settlement of accounts with other former Soviet republics.

In order to protect the economic interests of the Republic of Kazakhstan I resolve:

1. As of 5 July 1993, all economic entities, irrespective of the form of property, should exercise payments for finished products, material resources, as well as non-commodity payments, at the expense and within the limits of the means available at corresponding accounts of the republican commercial banks which serve these transactions.

2. Heads of administrations, enterprises, and organizations, within two days, should take additional measures to recover outstanding payments for the goods and services delivered; to conclude transactions, stipulating payment before delivery of goods and raw materials; within a 10-day period to close down all accounts which enterprises have in the banks of the aforementioned countries, and to settle all payments in future only via the corresponding accounts of the Kazakhstani banks entitled to service these transactions.

3. To suggest that heads of commercial banks, on the permit of the National Bank of the Republic of Kazakhstan, should establish corresponding relations (open accounts) in the banks of Russia and other countries of the former USSR; help enterprises and organizations

recover debts; provide strict control over the profits received in full from exporting goods to the former Soviet countries.

4. The Cabinet of Ministers of the Republic of Kazakhstan should define the list of products (critical import), the delivery of which is paid at the expense of the national crediting from the corresponding accounts of the National Bank of the Republic of Kazakhstan; elaborate specific measures to increase the exporting potential of the Republic, and to restore all necessary economic links; together with the National Bank of the Republic of Kazakhstan, introduce the exchange rate of the aforementioned countries' currency.

5. The National Bank of Kazakhstan should negotiate with the Central Bank of Russia on establishing a mechanism for settling payments for the goods delivered for the needs of the state; in two weeks time, together with heads of oblast administrations, commercial banks, and financial agencies, organize verification of payments by enterprises which export products to the aforementioned countries, either independently or via joint ventures and subsidiaries, and make sure payments are made on time.

6. The National Bank of Kazakhstan and the State Committee for Financial Control under the Kazakhstan Cabinet of Ministers should, within two months, examine the activities of commercial banks concerned with the observance of legal procedures and strengthening the discipline of payments. It is entitled to use sanctions envisaged by law against banks destabilizing monetary circulation and balance of payments in the Republic.

[Signed] N. Nazarbayev, president of Kazakhstan

Kyrgyzstan

Provisions of Military Agreements With Russia Outlined

PM0807105393 Moscow KRASNAYA ZVEZDA in Russian 7 Jul 93 p 1

[Sergey Knyazkov report: "Russian Military Facilities To Remain in Kyrgyzstan. Treaty and Agreement on Military Cooperation Signed Between Russia and Kyrgyzstan"]

[Text] As reported by KRASNAYA ZVEZDA, Russia and Kyrgyzstan have reached agreement on close military cooperation. On 5 July in Moscow Army General Pavel Grachev, Russian defense minister, and Major General Dzhanibek Umetaliyev, chairman of the Kyrgyz Republic State Committee for Defense Affairs, put their signatures to two documents: The "Treaty Between the Russian Federation and the Kyrgyz Republic on Military Cooperation" and the "Agreement Between the Kyrgyz Republic and the Russian Federation on a Procedure for Using Russian Military Facilities on the Kyrgyz Republic's Territory and On the Status of Russian Federation Armed Forces Servicemen in the Kyrgyz Republic."

Under these documents Russia and Kyrgyzstan let each other use stationing locations for military facilities under the terms of a lease. Rental payment is offset by deliveries of arms and military equipment, services in repairing them, training officer cadres and junior specialists, giving information, and in other ways on the principles of mutual clearing of payments.

They are preserving existing ties concerning the production and supply of arms and military equipment, operating and servicing and technical documents, components, spare parts and accessories, and other material resources, and concerning the repair of military equipment and research and development work. The sides are to ensure that military orders are placed at national industrial enterprises and preserve military units' logistic support, medical support services, and personal goods and services. Mutual deliveries of arms and military equipment are to be made without levying duty, taxes, or other charges.

Russia and Kyrgyzstan have pledged to provide social and legal guarantees for servicemen and members of their families and for people discharged from military service, including during their departure from the territory of one country to that of the other. The sides recorded in the treaty that they would facilitate the mutual exchange of these people's housing and its realization (sale) in accordance with legislation in force on the states' territories, but if this is not possible they are to ensure that due compensation is paid for it.

Tajikistan

Friendship Agreement Signed With Turkey

LD0807183793 Moscow ITAR-TASS World Service in Russian 1227 GMT 8 Jul 93

[By ITAR-TASS correspondent Sergey Feoktistov]

[Text] Ankara, 8 Jul—Tajikistan and Turkey today concluded a peace and cooperation agreement. It was signed by Turkish President Suleyman Demirel and Imamali Rakhmanov, chairman of the Tajik Parliament.

The friendship and cooperation agreement between Tajikistan and Turkey will contribute to strengthening mutually advantageous relations and developing bilateral contacts in economy and trade, said I. Rakhmanov at the solemn ceremony of signing the document. Tajikistan would like to use Turkey's extensive expertise in this sphere. "We are striving to create a law-based market economy and to increase the prosperity of our people through merging with the world economy," added Rakhmanov.

Turkey favors developing links with Tajikistan and is ready to give it assistance during this difficult period, said Suleyman Demirel. He added that the agreement

just signed is a foundation for expanding political, economic, cultural, academic, and other ties between the two states. S. Demirel expressed the wish that Tajikistan's domestic problems be resolved as soon as possible on the basis of mutual understanding, accord, and unity among the Tajik people.

Rakhmanov Meets Iranian President at ECO Summit

LD0807150893 Dushanbe Radio Dushanbe Network in Tajik 1200 GMT 8 Jul 93

[Text] Imamali Rakhmanov met Iranian President Hashemi-Rafsanjani on the evening of 6 July in the [name indistinct] hotel. During talks, views were exchanged on bilateral issues and other issues of interest to both side.

Imamali Rakhmanov and Hashemi-Rafsanjani both stated that relations between their countries will be developed. Foreign Minister Rashid Olimov and other officials were also present at the meeting.

Tajik-Afghan Talks Held on Stabilization, Refugees

LD0807143193 Dushanbe Radio Dushanbe Network in Tajik 1200 GMT 8 Jul 93

[Text] Imamali Rakhmanov [chairman of Tajikistan Supreme Soviet] met with Professor Borhanoddin Rabbani, president of the Islamic State of Afghanistan, on 6 July in [word indistinct] Hotel [in Istanbul]. During talks, which were held in a cordial atmosphere, the heads of the two states briefed one another about the situation in their respective countries and the measures to stabilize the situation. It was noted that stabilization of the situation in Tajikistan and Afghanistan is in the general interests of the peoples of the two countries.

Special attention was given during the talks to the situation along the Tajikistan-Afghanistan border and the return of the Tajik refugees to their homeland from Afghanistan.

Borhanoddin Rabbani stressed that the leaders of Afghanistan are in favor of the speedy stabilization of the situation in Tajikistan and along its borders and that they will adopt all necessary measures to that end.

It was agreed that a joint state commission be formed to tackle the issues relating to the return of the Tajik refugees from the northern provinces of Afghanistan to their homeland.

The meeting was also attended by Rashid Olimov, minister of foreign affairs of the Republic of Tajikistan, and other officials. Borhanoddin Rabbani wished the people of Tajikistan happiness, peace, and tranquillity.

Armenia

Rally Says President, Parliament 'Should Resign'

NC0807191793 Yerevan ARMENPRES International Service in Armenian 1132 GMT 8 Jul 93

[Text] A "general insurrection and political revolution" rally took place at the Freedom Square in Yerevan yesterday with the participation of 5,000 to 6,000 people. It was called by the National Self-Determination Association [NSA].

NSA and its leader people's deputy Paruyr Hayrikyan believe that the present authorities have spent themselves out, and demand that the Republic's president and parliament resign. Chanting such slogans and heeding Hayrikyan's call, the demonstrators moved in two separate groups toward the parliament and the president's residence. They were carrying placards reading: "Resign," "Provisional government," "Constituent assembly," "Constitution only through a constituent assembly," and "Levon, you are of no use to us," and other slogans.

The rally, which its organizers planned to hold indefinitely, did not vindicate the organizers' expectations from the people who are in fact dissatisfied with the difficult social conditions. One reason for this was probably the fact that the traditional opposition parties—the Armenian Revolutionary Federation [Dashnaktsutyun], and Democratic Liberal Party [Ramkavar]—expressed the position through their press that people should refrain from resorting to any ill-considered measures that might threaten the Republic's stability under these grave conditions.

In fact, internal stability is the only encouraging aspect of the Republic's life, and this is well understood by the Armenian people, at least by the overwhelming majority of the nation, as opposed to NSA and its leader.

[Moscow Russian Television Network in Russian at 1900 GMT on 7 July adds the following: "About 15,000 demonstrators in Yerevan today demanded that the Armenian president and parliament should resign. They accused them of causing a severe crisis in the republic. The opposition Organization of National Self-determination held the rally. It called for a peaceful revolution in Armenia."]

Azerbaijani Offensive Against Askeran Halted

NC0807190293 Yerevan ARMENPRES International Service in Armenian 1340 GMT 8 Jul 93

[Text] Following the air raids on the Armenian defensive positions in NKR's [Nagorno-Karabakh Republic] Askeranskiy Rayon yesterday and after raising a propaganda uproar about the alleged new Armenian attack on Agdam, the Azerbaijani Army units launched yet another attack against Askeranskiy Rayon.

Bloody battles were waged yesterday evening and last night on the borders of Askeranskiy Rayon. The NKR Army units not only managed to prevent the enemy's efforts to dislodge the Karabakh self-defense fighters from their positions, but also consolidated their units at more advantageous positions in certain sectors of the front. Six fighters of the Republic's defense army were injured. The enemy left 40 dead, one destroyed tank, an armored car, and an armored personnel carrier on the battlefield.

According to the latest information received from NKR self- defense forces headquarters, the battles are continuing today with reduced intensity.

The positional battles are continuing in Mardakertskiy Rayon, where there have been no changes in the battlefront situation.

Karmirshuka in Martuninskiy Rayon was shelled from the military bases in Fizulinskiy Rayon yesterday evening. The Armenian self- defense fighters were forced to retaliate.

The shelling of the peaceful Armenian settlements bordering on Azerbaijan has not ceased either. Movses, Aygepar, and Karmiragpyur in Tavushskiy Rayon came under more than three-hour-long tank and artillery shelling which started at 1930 yesterday. Four tank shells were also fired on the border settlements in Krasnoselskiy Rayon.

Karabakh Leader Advises Rafaelli Visit Via Lachin Corridor

NC0807181293 Yerevan ARMENPRES International Service in Armenian 1625 GMT 8 Jul 93

[Text] Karen Baburyan, chairman of Nagorno-Karabakh Republic [NKR] Supreme Soviet, sent a letter to Mario Rafaelli, chairman of the CSCE Minsk Conference, today.

While expressing his readiness to receive Mr. Rafaelli and the delegation under him on the date specified by them, Karen Baburyan nevertheless expressed anxiety due to the sharp exacerbation of the situation along the entire eastern border of NKR, in particular in Askeranskiy and Agdamskiy Rayons. He considered the Agdam road, along which the delegation planned to enter the capital of the Republic, extremely dangerous.

Considering that the enemy's continued air raids and artillery shelling are forcing the Armenian side to retaliate, Baburyan advised the peace makers to come to Stepanakert via the Lachin corridor.

Baburyan also assured them of the NKR authorities' sincere desire to assist with the group's visit and work.

President Meets Army General Staff, Promotes Major General

NC0807194393 Yerevan ARMENPRES International Service in Armenian 1625 GMT 8 Jul 93

[Text] The president of the Republic met with the leadership of the Armenian Armed Forces General Staff at his residence today. They discussed issues pertaining to strengthening the structures of the Armenian Army and military discipline under the conditions of ongoing peaceful processes.

The Armenian president signed a decree during the meeting conferring the rank of major general on Colonel Anatoliy Zinevitch, deputy chief of the General Staff of the Armenian Armed Forces.

Azerbaijan

Elchibey Annuls Decree Handing Power to Aliyev

NC0907122093 Baku ASSA-IRADA in English 1104 GMT 9 Jul 93

[Text] Baku 09.07.93 (ASSA-IRASA)—President of Azerbaijan Abulfaz Elchibey annuled his decree on resign most part of his presidential commission to Geydar Aliyev it is said in his new decree of July 7. And this decree was sent by fax. President Elchibey [words indistinct] previous decree of June 24 because Chairman of Supreme Soviet Geydar Aliyev refers to this decree for justification his unlawful action before the world public. By voluntary resigning most part of presidential commission to Geydar Aliyev I made the next step to the national reconciliation. But my step was misinterpreted. Milli Mejlis adopted unconstitutional decision and promoted the coup d'etat by parliamentary way, its said in the decree.

Council Heads Protest Transfer of Powers to Aliyev

LD0807174493 Moscow Russian Television Network in Russian 1600 GMT 8 Jul 93

[From the "Vesti" newscast]

[Text] According to information from the Azerbaijan Popular Front's Executive Committee, over 50 heads of executive power in various rayons and towns in the republic have suspended their work as a mark of protest against the Azerbaijan parliament's decision to transfer the powers of President Abulfaz Elchibey to Parliament Speaker Geydar Aliyev. At the same time the heads of municipal authorities in rayons located in the combat zone are not taking part in this kind of boycott.

Parties Unite in Effort To Support Elchibey

NC0807203993 Baku ASSA-IRADA in English 1433 GMT 8 Jul 93

["Parties Are Uniting Their Efforts"—ASSA-IRADA headline]

[Text] Baku 08.07.93 (ASSA-IRADA)—According to the informational center of Azerbaijan People's Front (APF) on July 7 political consultations were held between APF, "Musavat", "Chagdash Turan" (Modern Turan), Peoples Freedom Party, "Anatorpag" (Native Land) and "Ana Veten" (Motherland). As a result the decision was adopted on coordination of their efforts in the struggle for defence of Azerbaijan Constitution and against "illegal transfer of power of the only legitimate representative of power—President Abulfaz Elchibey".

Presidential Elections Planned for 18 Sep

PM0807133593 Moscow PRAVDA in Russian 8 Jul 93 p 1

[Untitled KHABAR-SERVICE report under the "Concise and Clear" rubric]

[Text] As the KHABAR-SERVICE agency has learned from competent sources close to the leadership of the Azerbaijan Supreme Soviet, a plan has been drawn up on Geydar Aliyev's instructions for the holding of presidential elections in the republic. A firm date has not yet been set, but it is planned that the elections should take place on 18 September 1993.

Mamedov Turns Down Foreign Minister Post

LD0807152593 Moscow ITAR-TASS World Service in Russian 1426 GMT 8 Jul 93

[Text] Baku, 8 Jul—Etibar Mamedov, leader of the influential National Independence Party of Azerbaijan (NIPA), who was seen as a realistic candidate for a key state post following the crisis of power in the republic, has turned down the portfolio of minister of foreign affairs. This post was offered to him by Geydar Aliyev, chairman of the republic's Supreme Soviet, who is acting as president, during talks held between them at the initiative of the head of parliament.

Commenting on their outcome and Etibar Mamedov's decision, NIPA press secretary Rauf Mirkadyrov told the ITAR-TASS correspondent today that the chairman held the talks on behalf of the party, which basically believes that a coalition government of popular accord should be set up with the participation of all the republic's influential political forces. "In other words, it is not a case of distributing posts, but of distributing power," stressed the press secretary. In his words, Geydar Aliyev did not accept this proposal or the proposal to hold parliamentary elections in Azerbaijan.

A decision was passed at a sitting of the party's central council, which discussed the outcome of the talks to the

effect that its members cannot join the government or occupy the posts of local heads of executive power. "The NIPA remains in the opposition as before, though it is not refusing to participate in political consultations aimed at extricating the republic from the crisis," the press secretary stressed in particular.

'Overthrown' President Elchibey Grants Interview

WS0907124093 Vilnius RESPUBLIKA in Lithuanian 30 Jun 93 No. 124 p 10

[Interview with President Abulfaz Elchibey by special correspondent Ricardas Lapaitis; place and date not given: "'I Believe in the Azeri People....'"]

[Text] The president, the ex-president, or the overthrown state leader? What is happening in Azerbaijan? Who are the initiators and who are mere executors? We are talking about this with Azeri President Abulfaz Elchibey.

[Lapaitis] Mr. President, almost two weeks ago you left Baku for Nakhichevan. Why did you decide this?

[Elchibey] This happened because Colonel Surat Guseynov's formations were approaching Baku. The leaders of the Defense Ministry stated that they would not interfere, and withheld from participating in further events. Actually, they refused to obey the president's decrees. Thus, Surat Guseynov's units could clash with my supporters. I did not want another incidence of bloodshed, because they would have announced later to the entire world that the president was to blame.

I feel safe in this village. I have contacts with the neighboring regions and Baku. No one is keeping me here and no one can do this. If the legislature guarantees my security, and the rebel Army withdraws from the capital, I will return there.

[Lapaitis] I know that the legislature refused to approve your powers and decided to transfer them to Supreme Soviet Chairman G. Aliyev. What do you think of this?

[Elchibey] On 24 June, the Milli Mejlis, on the basis of my inability to fulfill my functions, passed my powers to its chairman. This is a breach of the Azeri Constitution. I do not recognize this decision. The people elect the president, and only their referendum can abolish his powers. In my opinion, the coup that began in Ganja in early June was completed in Baku—in the legislature.

[Lapaitis] Official politicians reported that between 1 and 4 June, Azeri Defense Minister R. Kaziyev met with his Russian counterpart P. Grachev, with the participation of V. Barannikov and other officials. They signed a document on how to conduct a coup in Azerbaijan. What do you know about this?

[Elchibey] Yes, on 7 June, I already had all data mentioned in this document. Our intelligence sent them from Moscow. I could not believe this at the beginning, but further events assured me that the scenario was the same. I do not want to comment more on this. Everything must be double-checked.

[Lapaitis] What measures will you apply, if the new government begins to persecute your backers?

[Elchibey] I could dissolve the legislature then. However, I must note that it will not be easy to suppress or intimidate my supporters. It is yet unclear who will win....

[Lapaitis] What can you say about the role of G. Aliyev and former President A. Mutalibov in the coup?

[Elchibey] Not only G. Aliyev or A. Mutalibov, but also opposition leader E. Mamedov and another seven or eight politicians are soiled. They plotted the coup together with their allies in Moscow, Baku, Ganja, and Nakhichevan. This is a political game and everyone has his own role.

[Lapaitis] Why did you then invite G. Aliyev to Baku?

[Elchibey] I met with Aliyev several times. Most people wanted to see him the Supreme Soviet chairman. I am too humane, and I agreed. Moreover, I somehow had to ease the tension, to stabilize the situation, and to strengthen our statehood, and the opposition's participation was essential. I wanted the elections to the legislature to be held in a few months. I understood later, however, that such people could do anything for power.

[Lapaitis] How did it happen that people who came to the top government positions at various times are currently acting in unison against you?

[Elchibey] Three factors could determine such a course of events. First, all forces united for a military coup. Second, they are together as long as they strive for power. The latter's division will entail disagreement. Third, if these events had not been centrally managed, the actions of these forces would not have been so accurate and coordinated.

[Lapaitis] The chairman of the Executive Committee was killed in Ganja. Acts of terror are being committed in many Azeri towns. Is this the beginning of a civil war?

[Elchibey] I appointed the chairman of this Executive Committee. He had to inform me about the developments in Ganja and stabilize the situation there. Acts of terror that are being conducted today are a step toward a civil war. We must be ready for it.

[Lapaitis] Why, in your opinion, did Azeris react to Colonel S. Guseynov's march on Baku so peacefully?

[Elchibey] I suppose that the people were simply waiting for the outcome. Many were afraid of repressions. The activities of the legislature's leaders notably contributed to this. G. Aliyev did everything to undermine the trust in the president. They had to finish the coup as soon as possible.

[Lapaitis] Will you continue to participate in political life in the event that you resign?

[Elchibey] I do not intend to resign, because I do not think that the people who have assumed power by force will be better than us.

[Lapaitis] Surat Guseynov's uprising did not start today. A coup could have been conducted back in 1992. Why did you not prevent this attempt?

[Elchibey] We avoided a coup in 1992. However, they took their lesson and devised a plan that could not be opposed in a democratic manner. This means a military coup.

[Lapaitis] What mistakes does the opposition accuse you of?

[Elchibey] I made some mistakes when selecting the team. We did not create our national Army or introduce our currency in time. Nor did we manage to receive foreign credits or boost the economy. Many leaders commit similar mistakes. That is why the president is elected not for one but for five years.

[Lapaitis] Do you believe that the people who have assumed power by force will change Azerbaijan's democratic development? If so, in what direction will the country move?

[Elchibey] I do not think that they will succeed. The Azeri people, the press, and the intelligentsia have become accustomed to democracy. A certain pressure is possible; however, it will not last long. The democratic movement in Azerbaijan is much more powerful than the communists, and it will not be halted.

[Lapaitis] How do you assess the reaction of foreign states that have reestablished diplomatic relations with independent Azerbaijan?

[Elchibey] These states, of course, support the president, because the people have elected me, and the legislature cannot overthrow me. Most of them have condemned the military coup, and I think that it is the opposition of the world alone that prevents the melimedzhlis from completing it.

[Lapaitis] Do you think that if the events take such a course, Azerbaijan will be compelled to join the Commonwealth of Independent States?

[Elchibey] The independent Azeri state will never join the CIS. This system is feeble, and it is already collapsing. We can cooperate with the CIS in different spheres, except the military one, if this is mutually beneficial. We did not have our own state for 200 years, and I do not think that Azeris will give it up so easily.

[Lapaitis] Most of your supporters have resigned. Do you see yourself as Azerbaijan's president, the former president, or the overthrown president?

[Elchibey] I may feel like the overthrown president in the future. However, I am a lawful ruler of the country today. I do not think that anarchy has already taken root in Azerbaijan, or that it is better to have a battalion of soldiers than a political party.

The state coup was a previously drafted and gradually enacted plan. I am staying in my country, and I do not intend to leave.

Guseynov, Commanders To Discuss Military Issues

NC0807192193 Baku Radio Baku Network in Azeri 1700 GMT 8 Jul 93

[Text] The Azerbaijan Ministry of Defense Analytical Information Center has issued the following communique:

A broad-based meeting was held by the commanding ranks of the Azerbaijan Armed Forces under Colonel Surat Guseynov, who is the prime minister and a hero of the Republic, from 6 to 8 July. They discussed matters related to the establishment of the Republic's armed forces, the tasks of the military forces related to the fighting and the question of mobilization, improvement of the cadres policy, and discipline in the armed forces. Prime Minister Guseynov said that settling problems requires that everyone adopt a responsible approach to his tasks.

One of the decisions that was adopted at the end of the meeting stressed that it is essential that all the economic domains function to meet the needs at the front lines.

People's Front Issues Call to Arms

NC0807200193 Baku ASSA-IRADA in English 1459 GMT 8 Jul 93

[Text] Baku 08.07.93 (ASSA-IRADA)—Motherland is in danger and anyone who is able to carry arms must fight against Armenian invaders to the finish, says published today, on July 8, appeal of Azerbaijan People's Front (APF) to Azerbaijan people. APF calls to all the citizens of Azerbaijan inspite of their political convictions for struggle for territorial integrity of their native country.

Armenian Units Continue Attack on Agdam

LD0807165293 Moscow ITAR-TASS World Service in Russian 1525 GMT 8 Jul 93

[By ITAR-TASS correspondent and AZERTAC]

[Text] Baku, 8 Jul—Fierce fighting continued today in almost all sectors of the conflict zone. It is reported by the Azerbaijan Defense Ministry's news service that Armenian armed subunits have managed to seize three of the nine villages in Agdamskiy Rayon earlier liberated by the National Army. The rayon center itself is under constant rocket and artillery bombardment. Under cover of armored vehicles the enemy is attempting to force its way toward the town, and now it is just five kilometers from the outskirts of Agdam in the south, and three kilometers in the west. An up-to-date on-the-spot report says that an offensive against Agdam has been started

from the north too. In the course of the fighting the Armenian side has already lost three tanks and one infantry fighting vehicle.

Sources report that after a lull, fighting resumed today in the Fizulinskiy Rayon too, where important strategic heights are controlled by Armenian subunits a few kilometers from the administrative center of Fizuli and 14 villages.

The shelling of Sadarakskiy Rayon in the Nakhichevan Autonomous Republic from the direction of Armenia using heavy machine-guns and artillery pieces was also reported today.

Interior Ministry Appeal Urges Surrender of Illegal Arms

NC0807185393 Baku Radio Baku Network in Azeri 1700 GMT 7 Jul 93

["Text" of Azerbaijan Ministry of Internal Affairs appeal on 6 July for the surrender of illegal arms]

[Text] Esteemed citizens, an undeclared war has been waged against Azerbaijan for six years now. The Armenian aggression, which has caused death and catastrophe, is gradually being intensified. Our homeland's occupation has led to acts of violence against peaceful people and the destruction of residential areas en masse. It is our duty to repulse the enemy and safeguard Azerbaijan's territorial integrity. All the forces and the resources must be used to defend the homeland.

Under existing conditions, pardoning or morally acquitting the persons involved in crimes is impossible. When women, elderly people, and children are being tyrannically shot by the occupationists, even the most ferocious criminal must consider [words indistinct] to kill people and acts of robbery and other serious crimes are being committed at the present time. The attacks on state establishments and police employees have increased. The situation is such that maintaining security is gradually becoming more and more difficult.

We urge the people who possess and carry illegal arms to voluntarily surrender them. The use of arms against our own people is impermissible. The place to use arms is the battlefronts, where the fighters need more arms. There is a great need for reinforcements in the front lines and the rear areas.

We do not wish to initiate legal proceedings against the workers and [words indistinct] for criminal activities and for possession of illegal arms.

We guarantee that the people who voluntarily surrender their illegal arms, regardless of the type they may be, will not be liable to prosecution. In fact, they will receive cash awards in accordance with the type of arms they surrender. Those who wish to remain anonymous may call or use other means to provide information on the arms they possess.

Esteemed citizens, the process of surrendering arms [words indistinct] and is in the interest of our people's future.

[Signed] Azerbaijan Ministry of Internal Affairs

[Date] 6 July 1993

Aliyev Receives Georgian Ministers

NC0807210193 Baku Radio Baku Network in Azeri 1900 GMT 7 Jul 93

[Text] Geydar Aliyev, acting president and chairman of the Azerbaijan Supreme Soviet, received visiting Georgian Deputy Prime Minister Avtandil Margiani and Minister of Trade and Material Supplies Murtaz Zankaliani today. Avtandil Margiani conveyed Eduard Shevardnadze's greeting to Aliyev and [words indistinct]. Aliyev expressed his gratitude and stressed that Azerbaijan and Georgia maintain friendly relations.

Later, Geydar Aliyev explained the current situation in Azerbaijan and the Armenian Armed Forces' aggression against the Republic. He said: The Armenian aggressors have been attacking Fizulinskiy, Dzhebrailskiy, and other rayons since 2 July. Many people have been killed or wounded. Our towns have been destroyed. Thousands of people have become refugees.

Geydar Aliyev also explained the meetings he held with the U.S., Russian, and Turkish ambassadors and the UN representative in the Republic and outlined the written statement he conveyed to them. Furthermore, he stressed that Mario Rafaelli's visit to Baku has been postponed. He said that Rafaelli is expected to arrive in Baku on 9 July and [words indistinct]. Geydar Aliyev stated that he had conveyed a letter to the ECO [Economic Cooperation Organization] meeting in Istanbul on these matters. The ECO meeting has adopted a decision condemning Armenia's aggression against Azerbaijan.

Geydar Aliyev said that averting fratricide in Azerbaijan has been possible, but the situation remains tense. He stressed that he is convinced that removing internal problems will be possible. Later, Aliyev stated: We are aware of the developments in Georgia. We are aware of Georgia's problems and the clashes in Abkhaziya. We hope that the situation in Georgia will be quickly normalized. We are convinced that Georgia and Azerbaijan will resolve their problems.

For his part, Avtandil Margiani said that Georgia greatly appreciates Geydar Aliyev's work.

Deputy Prime Minister Vakhid Akhmedov and Namik Akhundov, director of [words indistinct], attended the meeting.

Aliyev Comments on Relations With Turkey

TA0807182793 Ankara TRT Television Network in Turkish 1700 GMT 8 Jul 93

[Statement by Geydar Aliyev, acting president and National Assembly chairman, to Turkish Radio and Television correspondent Erdogan Gungordu in Baku; date not given—recorded]

[Text] The relations between Turkey and Azerbaijan will be even better from now on: it will be more civilized, more within the framework of law, and more within the framework of international principles.

I am looking forward to warm relations with Turkey, which is a great brother country for us. I have great attachments to Turkey, I love Turkey, I have brothers in Turkey.

It is not necessary to agree [words indistinct], but these issues have to be resolved at the level of the state. Until now, it is as though these issues have been dealt with like they had been conducted in the street.

Georgia

Parliament Issues Decree on Martial Law in Abkhazia

LD0807141293 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 8 Jul 93

[Text] A decree from the Georgian parliament on announcing martial law on the territory of the Autonomous Republic of Abkhazia. The Georgian parliament decrees to adopt the order of head of state Eduard Shevardnadze dated 6 July 1993 announcing martial law on the territory of the Autonomous Republic of Abkhazia.

[Signed] Vakhtang Goguadze, speaker of the parliament of Georgia

Local Authorities Given Provisional Emergency Powers

LD0807153893 Moscow ITAR-TASS World Service in Russian 1402 GMT 8 Jul 93

[By GIA correspondent for TASS]

[Text] Tbilisi, 8 Jul—"The chairmen (mayors) of rayon (town) authorities have been granted provisional emergency powers in connection with the grave sociopolitical situation in Georgia and to carry out an order by Eduard Shevardnadze, Georgian head of state and commander-in-chief of the republic's armed forces." Thus reads a report circulated today by the Georgian Information Agency.

In particular, the chairmen of authorities are given the right to introduce special working arrangements at departments, public and service organizations and to appoint and dismiss the heads of enterprises and institutions with the consent of ministries. For the purposes of defense, they can carry out the mobilization of civilians, bring in the able-bodied to work in enterprises, institutions, and organizations and implement other measures stipulated by the legislation of the Republic of Georgia.

Shevardnadze Gives Foreign Missions Tour of Sukhumi

LD0807175693 Moscow ITAR-TASS World Service in Russian 1652 GMT 8 Jul 93

[Text] Sukhumi, 8 Jul (GIA-TASS)—The heads of foreign missions accredited in Georgia today visited Sukhumi where they familiarized themselves with the situation in the zone of the Georgian-Abkazian conflict. Among the visitors were the ambassadors of the United States, Germany, Russia, Turkey, and Iran, the charges d'affaires of China, Armenia, and Israel, the permanent representative of the United Nations, and the heads of permanent missions-military mission of the UN and the CSCE.

The guests were received by Eduard Shevardnadze, head of the Georgian state, who is in Sukhumu. He acquainted the guests with instances of cruelty committed by the Gudauta side and noted that "even war should have its laws." Touching on the reasons for the escalation of the conflict, he expressed concern that "a small separatist grouping should get its hands on a large quantity of modern weaponry and military equipment, which obviously did not fall from the skies but is being supplied by someone who is giving a helping hand."

Eduard Shevardnadze believes that forces exist in Russia which benefit from the exacerbation of this conflict and the continuation of the bloodshed. However, we have always striven and we are still striving now not to give way to emotions in any event, and to act only by cool reason," he said.

"When the Russian President returns from Tokyo," Eduard Shevardnadze said, "much will be cleared up, since the resolution of the Abkhazian conflict is impossible without the Russian factor. Naturally, Russia and Georgia must seek out all means for cooperation, no matter how tense their relations may be today."

Eduard Shevardnadze said that he does not intend to leave Sukhumi and will "remain with the noble defenders of the town as long as necessary."

The representatives of the diplomatic missions returned to Tbilisi after viewing the ruined town.

Shevardnadze To Stay in Sukhumi Despite 'Terrorist Acts'

LD0807182393 Moscow ITAR-TASS World Service in Russian 1707 GMT 8 Jul 93

[By GIA correspondent for TASS]

[Text] Tbilisi, 8 Jul— "Shells are exploding daily near the house in Sukhumi where Eduard Shevardnadze is

staying, and the possibility of terrorist acts, and the direct destruction of the building is not ruled out." This is stated in a report released today by the press service of the Georgian head of state. It notes that in connection with the aforementioned facts Eduard Shevardnadze has stated that "targeted shell attacks are taking place, that have been carried out until now to instill fear and make him leave Sukhumi." According to the statement by the Georgian head of state, he "will stay alongside the defenders of the town, and will not betray his duty. If a terrorist act is carried out, it will expose once again the true face of the terrorists and their protectors."

Shevardnadze Sends Message to Tokyo Summit

LD0907093493 Moscow ITAR-TASS in English 0855 GMT 9 Jul 93

[Text] July 9 (TASS)—Eduard Shevardnadze has urged participants in the Tokyo G7 summit not to forget about other former USSR republics, when rendering assistance to Russia. German Federal Chancellor Helmut Kohl said at a press conference today that the Georgian leader had sent a message to the G7 leaders.

Kohl described the message as "dramatic", but did not disclose its content. According to representatives of the German Government, Shevardnadze appealed to the G7 countries to render financial and humanitarian assistance to Georgia and to use their political influence for restoring peace in Abkhazia. The message stresses that peoples in the former USSR republics are experiencing tremendous hardships as a result of a severe economic crisis.

British Prime Minister John Major said at a press conference today that the G7 countries should encourage Russia and Georgia to make another attempt, with U.N. support, to resolve the Abkhazian problem. According to Major, it is very important that they do it, because this will pave the way for sending U.N. observers to that area. The head of the British Government stressed that it is necessary to try to achieve the termination of hostilities. He pointed to the acute danger of hunger and dramatic shortages of medical and other equipment and said that it is possible, in his opinion, for the European Community and other countries to send aid to Georgia comparatively quickly. Major stressed he had no doubt that the aid was very much needed.

Abkhaz Leader Prepared To Admit UN, CSCE Observers

LD0807203293 Moscow ITAR-TASS in Englsih 1929 GMT 8 Jul 93

[By ITAR-TASS correspondent Irina Schegoleva]

[Excerpt] Sochi July 8 TASS—[passage omitted] The press office of the Abkhazian Supreme Soviet reported that today Abkhazian parliament Chairman Vladislav Ardzinba held a press conference in Gudauta. Responding to questions from journalists, the rebel leader said he was ready to admit U.N. and CSCE observers to the conflict zone, as well as representatives of other organizations who would come to Abkhazia with a peacemaking mission. Ardzinba reaffirmed his readiness for seeking peaceful ways to settle the conflict on condition that all Georgian troops were pulled out of Abkhazian territory and the elected government resumed its work.

Caucasian Confederation Threatens To Open 'Third Front'

LD0807130793 Moscow Mayak Radio Network in Russian 1200 GMT 9 Jul 93

[Text] Last night, the Georgian coast guard prevented an attempt by the Abkhazian side to attack Sukhumi from the sea, reports the press centre of the Georgian troops deployed in Abkhazia. As a result of the escalation of fighting in the conflict zone, casualties on both sides number hundreds of people.

The Abkhazian side has appealed to the Confederation of the Mountain Peoples of Caucasus, with which it maintains friendly relations, to send fresh volunteers there. Shamil Basayev, the commander of the confederation's troops, said today in an address to the peoples of the Caucasus that unless the leaders of Russia and republics of the north Caucasus take measures to effect a prompt and unconditional pullout of Georgian troops from Abkhazia, the troops of the Confederation of the Peoples of Caucasus will be forced to open a third front along the entire border between Georgia and the North Caucasian republics.

Abkhazians Say 500 Georgians Killed in Week-Long Combat

LD0807130293 Moscow ITAR-TASS in English 1221 GMT 8 Jul 93

[By ITAR-TASS correspondent]

[Text] Moscow July 8 TASS—Four batallions of the Georgian army have been routed during a week-long intensive fighting in Abkhazia and the Georgian death toll amounts to 500 men and officers, according to the headquarters of the Abkhazian eastern front.

According to the source, six tanks, four infantry fighting vehicles, one armoured personnel carrier, MI-8 and MI-24 helicopters were destroyed. Three tanks, one infantry fighting vehicle and one armoured personnel carrier were seized from georgian forces. Over 40 Georgians were taken prisoner.

The Abkhazian Defence Ministry reported that its forces have established control over the Sukhumi hydropower station and blocked Georgian attempts to seize a section of the Ochamchira-Sukhumi highway.

It also aid that Georgian forces heavily shelled the town of Novy Afon overnight causing considerable casualties.

The Georgian forces reported that Abkhazians heavily shelled Sukhumi on Thursday from long-range cannons, howitzers and "grad" rocket launchers causing casulaties among civilians, fires and damage.

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Abkhazians Report Successes in Guma, Novyy Afon

LD0907111893 Moscow ITAR-TASS World Service in Russian 1020 GMT 9 Jul 93

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow, 9 July—Battles are continuing on the northern outskirts of Sukhumi as a result of which Abkhazia's armed forces have taken control of the populated point of Guma. This is reported in a bulletin from the Abkhazian Ministry of Defense.

In the Shroma area Abkhaz forces have captured a large number of Georgian soldiers and officers. There are reports that Novyy Afon is undergoing intensive artillery shelling and that the limestone rocks of the unique Novyy Afon cavern are in danger from detonation.

The Abkhaz army is repulsing attacks by Georgian forces on the Sukhumi-Ochamchira road, which is controlled, according to the Abkhaz military department, by Abkhaz units. On Thursday an attack from the direction of the village of Kindgi was repulsed and with the loss of 20 soldiers and one tank of the Georgian Army.

Shevardnadze Speech to NATO Council 23 Jun

AU0707181493 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 25 Jun 93 p 1

[Report by SAKINFORM special correspondent from the press center of the Georgian Diplomatic Mission attached to the EC, containing the speech delivered by Georgian Head of State Eduard Shevardnadze to the session of the council of NATO member states in Brussels on 23 June: "Eduard Shevardnadze's Visit to Belgium and Germany"]

[Excerpt] [passage omitted] He specifically said:

I recall that winter day in 1990 when, as foreign minister of the Soviet Union, I first crossed the threshold of NATO headquarters.

The emotion that overcame me then was caused not only by the unprecedented nature of that fact and the emotional tone of the meeting but also, first and foremost, by the content of the talks that took place at that time.

A clearly underlying, if not direct, theme, unfamiliar till then, was sounded about the possible transformation of the functions and strategies of the two military-political blocs—NATO and the Warsaw Pact. Today, appearing before you in my new status, I would like to briefly impart to you our view of that situation.

First. The end of the cold war and East-West confrontation has not removed the serious threat to the democracies of the West and the whole world. This threat exists and will continue to exist until the new states—the republics of the former Soviet Union and, first and foremost, Russia—achieve final success on the path of democratic transformation and economic reform. Until this happens, they will remain instruments of potential danger to universal peace and a permanent source of international tension.

In this respect, the most serious trend is that of the rolling wave of national extremism that is creating new hotbeds of instability and conflict in Europe and around its borders.

In these conditions and in this situation, NATO will in no way lose its unique mission of being the primary military and political guarantor of stability and security in Europe. On the contrary, its importance is increasing and the problem is how it will carry out its new function and adapt it to the demands of the times.

Second. The crisis that has gripped the post-communist era is getting worse. The struggle between adherents of the idea of empire and historic messianism and a democratic choice for Russia is causing destructive tremors not only in Russia but also in the newly independent states.

It would be a great mistake for us to think that the democratic forces under President Yeltsin have won the final victory over the "party of imperial revanchism." In our opinion, support for the reformist efforts of the progressive wing of the Russian leadership is the primary strategic task for the West. We can designate as being of equal importance measures to support the new independent states that have been formed on the territory of the former Soviet Union. Without this, it is superfluous to speak of a stable democratic Russia and, correspondingly, a new world order.

Third. Unfortunately, we have to admit: The rapid pace at which events are developing in a critical manner on the territory of the former Soviet Union and certain European countries is not being matched by an adequate response from NATO and other international and European structures. I was virtually the only participant at the Helsinki meeting last July who unconditionally supported the North Atlantic Alliance being accorded peacemaking functions in Europe under the aegis of the UN and the CSCE. One year has passed and if I were asked how this new strategy of maintaining peace has manifested itself in specific and practical terms, I would be unable to provide an answer.

Since that time, the necessity of creating new, strong mobile peace subunits that would act under the aegis of the CSCE has not only not diminished but, on the contrary, considerably increased. With the odd exception, the majority of states would have invited them to participate in regulating those internal conflicts whose development into interstate and regional conflicts is becoming more and more clear. We

have to look anew at the composition of NATO member states and boldly approach the question of more active involvement of East European and new independent states in its activities.

For this purpose, the North Atlantic Cooperation Council [NACC] has been in existence and functioning already for one and a half years. It has been called upon to form partner relations in the military-political, scientific and technical, environmental protectionist, and other spheres between NATO member countries and the Central and East European states and the republics of the former Soviet Union.

We support all seven points of the "new agenda of the NACC" submitted by the U.S. delegation at the international conference in Nokehaist [as transliterated].

This is an excellent idea: The NACC as a special training course for potential NATO members. However, I am afraid of one thing, that before we have undergone this course events might develop unexpectedly. We need practical help now. A mechanism for integrating the new states into the NATO structure should be put into operation with full force. From the beginning, the North Atlantic Alliance could have concluded treaties with each one of them and cooperated with them on this basis.

It is obvious that these states will not be able to respond to NATO's demands for quite some time although it is clear that these demands themselves should correspond to the changing situation.

In general, it has to be pointed out that, between 1989 and 1991, the leaders of and participants in Europe's peaceful revolution could have hoped for greater solidarity from the North Atlantic Alliance. We began the process of liberating the world and Europe from the nightmares of the cold war and the threat of thermonuclear destruction, which cost us dearly. The West has got what it wanted: The removal of the powerful concentration of forces and, correspondingly, enemy no. 1 from the center of the continent. As a result of this, Europe has united while we—I have in mind its eastern part, the new states and their peoples—have been left with countless difficulties and threats that, as soon as the Caucasus, Ukraine, and Baltic states go up in flames, will become a direct danger to you.

It is still not too late to give significant material and financial help to these countries. This is possible and, moreover, should be extended to the process of forming national armed forces. One can see that this can have a positive influence upon the formation of military-political doctrines and ideologies. Such help, which does not involve great expenditure, would have a beneficial effect on the establishment of new democratic societies.

Fourth. History has formulated firm views regarding explosive regions. Such a region is the Balkans, historically "the powder keg of Europe," that even today attracts universal attention. However, other regions, no less explosive, are being ignored through inertia. The Caucasus for example is a critically important zone on the border between Europe and Asia, West and East, and North and South. Current events here demand a swift realignment of the political optic, including the NACC system. The conflicts in Nagorno- Karabakh, Abkhazia, Azerbaijan, and the situation in the North Caucasus and southern Russia could lead not only to the collapse of democratic restructuring in the states in this region but also to confrontation between the powerful geopolitical forces gathered there.

The symbol of your union, the "wind rose," should be today even more sharply focused on all dangerous squalls that arise in the area of the North Atlantic Alliance and near its borders.

Fifth. The nature, scale, and potential consequences of conflicts on the territory of the former Soviet Union are such that their regulation should not be the monopoly of any one force, be it a nation or organization. We can achieve positive results only through the combined efforts of international structures and their effective interaction, each of them relying on the political support and resources of the others. Georgia, where NATO and CSCE missions operate, would welcome the inclusion of the North Atlantic Alliance in this matter.

Being clearly aware at the same time of the great importance of the Russian factor in the resolution of the conflict on Georgian territory, we would like to see Russia cooperating more closely with international and European structures in this respect.

The success or lack of success of the construction of democratic institutions in this country is of vital importance for Georgia. Like other countries, Georgia is vitally interested in its stability and in the formation of a Russian democratic state.

We support President Yeltsin and his supporters who share our view that peace in Georgia, its stability, integrity, and the inviolability of its borders also correspond to Russia's interests.

In general, all of us should think about Russia's new role in the post-communist world and promote its progressive orientation.

Sixth. Today, the main burden of world politics has switched to the economic sphere. I believe that this trend will increase in the future. It is already clear today that economic questions are acquiring priority importance in ensuring international stability and security. It is precisely economic interests that can serve as a powerful stimulus to achieving mutual understanding and harmony between the countries of the West and East, both in the political and military spheres.

From this point of view, I would like to direct your attention to the idea of a Eurasian transport corridor. We should view it as a single communications organism traversing both the Caucasus and Georgia that will

connect the Rhine-Danube system with the Black and Caspian Sea regions, and China and other Asian states.

Proceeding from general economic interests, the formation of this communication and transport system will significantly reduce the possibility of new conflicts arising and will undoubtedly turn into a most important factor of stability in the Black and Caspian Sea basins, the Caucasus, and Central Asia.

Links established through this system with the North and Baltic Sea basins will promote not only greater integration in western Europe but also the broadening of commercial and economic and political contacts between the countries of this region (whose majority are NATO members) and the countries of central and eastern Europe, and the regions of the Caucasus and central and southeast Asia.

Gentlemen, no matter how astonishing such an idea may be, we cannot reject it on account of its singularity. We are living in unusual times that call for unusual extraordinary decisions. It is possible that a lack of such projects as this has demonstrated the imperfection of supreme political technology in an age of rapid restructuring in Europe and the world. We should not be unprepared to face the trials that the near future will bring us.

I am grateful to have been invited to the NATO Council, which has enabled me to speak to you. I thank you for your attention and your readiness to listen to and understand me.

Now that I am convinced that NATO's responsibility for security and peace in Europe is much greater than it was, we request that you place us also in your sphere of attention. [passage omitted]

Estonia

Parliament Adopts Amended Law on Foreigners

LD0807161593 Tallinn Radio Tallinn Network in Estonian 1400 GMT 8 Jul 93

[Excerpts] We begin our report from Toompea [seat of parliament] where the Riigikogu adopted the law on foreigners in an amended form. Our reporter Feliks Kaasik is live on the air.

[Kaasik] [passage omitted] Just before 1700 hours the decision was taken: The law on foreigners was adopted in an amended form, with 69 Riigikogu members in favor and one against. I will tell you who it was: It was Juri Toomepuu; and there were two abstentions. How does the newly adopted law differ from the one the president returned to the Riigikogu? I will put this question to Mart Nutt, chairman of the Constitutional Commission. Go ahead.

[Nutt] In essence it does not differ substantially from the law as it was. Proceeding from the recommendations by representatives of both the CSCE and the Council of Europe, the president referred to some legal nuances that required clarification. One cannot claim that the law in its previous form will have been in conflict with the constitution or with international legal acts, and the president, indeed, did not make any reference to them. However, it never does any harm to clarify a law at any stage, and this served as a reason for the Riigikogu's decision to amend it.

At the same time I would like to console radio listeners: We did not make any changes of principle. All the proposals to do with granting resident permits to the military and automatic acceptance of the people who live here, as per registration at their addresses, as permanent residents—the Riigikogu did not opt for any solutions of this kind. [passage omitted]

Further on 'Modified' Version

WS0907085793 Tallinn ETA NEWS BULLETIN in English 0708 GMT 9 Jul 93

[From 9 July PAEVALEHT, p 1; 9 July RAHVA HAAL, p 2]

[Text] Friday, July 9—The modified version of the Law [on Foreigners] won 69 votes for and 1 vote against with 2 abstaining. The Centrist Faction claimed that the amendments were of principal importance, while the Fatherland claimed quite the opposite, i.e. that it was the matter of editorial changes only.

Under the new version the residence permit will be denied to those aliens whose activity endangers the state of Estonia and its security and who are serving their prison terms or whose sentence has not been revoked. Neither will get the residence permit the aliens in active military service and their families. 27 motions were discussed, the opposing factions voicing the opinions absolutely different, dependent on their factional affiliation.

The second session, meant to discuss the resolution of Riigikogu "Illegal activity of the local self-governments", concerning the popular votes in Narva and Sillamae did not take place due to the lack of quorum. Mr Chuikin, chairman of Narva Town Council said he hoped Riigikogu would not proclaim the decisions of Narva on referendum anti-constitutional.

The Government made a statement concerning the modified version of the Law on Aliens, saying that the Law is now to be promptly implemented to guarantee the participation of non-citizens in the elections to the councils of local governments. The Government will warrant everybody the guarantees stipulated by the laws, including the payment of old-age pensions, dole, child support, invalidity support and other supports, as well as the participation in privatization. All measures will be taken to meet the advice by Mr van der Stoel of April as regards the specification of the demands at the language exams and removing the bureaucratic obstacles with granting the citizenship. The Government is refuting the lies being disseminated about the non-citizens facing deportation or forcing out by means of social-economic pressure.

Government Issues Statement

LD0907103993 Tallinn Radio Tallinn Network in Estonian 1700 GMT 8 Jul 93

[Excerpt] The republic's government issued a statement today in connection with the adoption of the law on foreigners. The statement says that the government considers it necessary that the law be implemented promptly so as to ensure that non-citizens can take part in the elections to local government councils.

The government states that its aim is to involve all inhabitants of Estonia in the solving of the tasks facing Estonian society. The statement says that the government will continue to ensure the guarantees set down (?in this particular and any other) laws including the payment of old-age pensions, unemployment benefits, child benefits, invalidity benefits, and other benefits from the state as well as the option of taking part in the privatization process.

The government pledges in its statement today to take steps to implement the recommendations made in April this year by the CSCE high commissioner for national minorities. And so, the government aims to clarify the requirements for the language test and to remove bureaucratic barriers when one applies for citizenship. The government refutes the deliberately spread disinformation about the threat of both deportation of the non-citizens living in Estonia and of ousting them using socio-economic pressure. The government states in its statement that its policy observes all internationally recognized human rights and freedoms.

The Estonian Government's statement says that Narva council has been ignoring the town dwellers' true interests as well as the Republic of Estonia constitution. The government is convinced that attempts at provoking ethnic conflict in Estonia are unlikely to succeed.

Prime Minister Mart Laar also sent his greetings to Estonian Radio.

[Begin Laar recording] At our meeting today, which we planned as very brief, the government discussed the resolutions necessary for the implementation of the law on foreigners. The most important of those is the resolution to do with the registration of foreign voters at the local government elections and determining the documents required so that the process, which the government feels is highly important, can immediately begin once the law is promulgated and comes into force. As is known, on the basis of laws adopted this should begin 12 July, and should everything go according to plan we will be able to keep to this timetable. [passage omitted] [end recording]

State Department Support Cited

WS0907093993 Tallinn BNS in English 1430 GMT 8 Jul 93

[Text] Washington, July 08, BNS—The United States issued a statement Wednesday [7 July] applauding Estonia for its decision to review its controversial resident aliens bill.

Estonian President Lennart Meri rejected the bill Tuesday night on the advice of the CSCE and the Council of Europe. The bill was referred back to the parliament for amendments today.

"We believe that, with his decision on the Alien Law, President Meri has made a constructive contribution to regional stability," said the statement released by the U.S. state department.

The state department encouraged Estonia to openly discuss the law's intent with the public in order to "promote communication between the various ethnic constituencies in Estonia, as well as set the basis for improved relations with Russia."

In the same statement, the U.S. said, "We believe that the unconditional withdrawal of all Russian forces from the Baltic Republics as soon as possible would be another step in reducing tensions."

The department said it welcomed the withdrawal deadline treaty between Russia and Lithuania and that it hoped the Russian troops would leave Estonia and Latvia soon. "We call for the expeditious conclusion of bilateral negotiations to this end," it said.

CSCE Official Satisfied With Amendments

WS0907092393 Tallinn ETA NEWS BULLETIN in English 0708 GMT 9 Jul 93

[From 9 July PAEVALEHT, p 1]

[Text] Friday, July 9—CSCE High Commissioner for national minorities Max van der Stoel expressed his satisfaction with Estonia's decision to introduce amendments to the law on aliens at the CSCE Parliamentary Assembly in Helsinki yesterday. He stressed that no human rights violations were discovered in Estonia but added that the government will have to start a constructive dialogue with the Russian-speaking population. He commended the idea of the round table talks proposed by President Lennart Meri.

Chairman of the Riigikogu foreign affairs commission Vello Saatpalu held a news conference for the Finnish journalists at the Estonian Embassy in Helsinki yesterday. The conflict is primarily a political one, caused by Estonia's wish to distance itself from the former Soviet Union, rather than by some laws, he stressed. "Non- citizens living in Estonia may find it difficult to realize that they are living abroad but the parliament could not expect such a reaction," Saatpalu said. He explained that the Riigikogu had passed approximately 200 laws within less than a year and the rush may have caused some drawbacks. Saatpalu compared the situation in Estonia to that in Namibia or India during the decolonization and assured that the parliament will not pass the amendment allowing some 9,000 retired Soviet officers to remain in Estonia.

Saatpalu also stressed the need for aiding the 60,000 Estonians living in the former Soviet republics to return home. He added that the Estonian delegation has made efficient contacts with the head of the Russian delegation to the assembly Nikolay Ryabov.

Military Division Arrives To Guard Paldiski Missile Base

WS0907091693 Tallinn ETA NEWS RELEASE in English 1823 GMT 8 Jul 93

[Text] Tallinn, July 8—After fifty years the first division of Estonian military forces, the (?Pullapaa) battalion arrived at Paldiski, a high-security Soviet missile base, on Thursday [8 July].

"The division of the Estonian defence forces is to control and guard Russian military targets and devices. The stay of the company at Paldiski should also improve public order in the city," colonel Ants Laaneots, the head of the Estonian Defence Forces Headquarters, told ETA.

Laaneots said that the company was sent to Paldiski according to his orders and no conflicts occurred with the Russian military authorities.

The whole of the battalion will be relocated at Paldiski as soon as the living conditions at the base are in good order, Laaneots said.

Paldiski is the site of a Soviet nuclear reactor training centre which Russia is intent on keeping. Russian military authorities say the nuclear reactors have been dismantled but there is no independent confirmation. The International Atomic Energy Agency has shown interest in the site.

Opposition Blames Foreign Ministry, Velliste for Crisis

LD0807165393 Tallinn Radio Tallinn Network in Estonian 1200 GMT 8 Jul 93

[Excerpts] [Announcer] While the parliament enjoyed a recess, a news conference by the Party of Consolidation faction took place in Toompea Palace. Foreign Minister Trivimi Velliste was sharply criticized. [passage omitted]

[Correspondent Peeter Kaldre] Both the Party of Consolidation and the Rural Union factions claim that the international crisis that has broken around Estonia in connection with the law on foreigners could have been averted because Velliste reportedly received several letters from top levels. One was received on 7 April from Max van der Stoel, CSCE high commissioner for national minorities. Two letters were received from top leaders of the Council of Europe Parliamentary Assembly.

These letters are said to have drawn Velliste's attention to the shortcomings that exist in the law on foreigners now and that were also present in the law on local elections. The crux of these accusations is the following: Why did Velliste not inform the parliament of the possible dangers that we were to expect from the West? This is what is at issue. This led to the accusation that Velliste is either incompetent or is acting in somebody's interests. According to Mr. Lorents [deputy chairman of the Party of Consolidation faction], the Foreign Ministry has placed us in a very stupid position.

Another issue has to do with Velliste's letter to Mr. Svirin, leader of the Russian delegation. The letter is dated 30 November 1992. In it, Velliste promises, for example, the same rights to all non-citizens that citizens have. Mr. Lippmaa, who spoke very strongly at the news conference, claimed that perhaps this was alright. They indeed should have the same rights, but not for nothing. The justification was that Velliste should have set conditions to obtain these rights: the Russian troop withdrawal, for example. [passage omitted]

I think, however, that maybe time has come to let Mr. Lorents speak. He will sum up the accusations point by point.

[Begin Lorents recording] The Party of Consolidation and the Rural Union factions blame the government coalition for:

1. Setting incorrect priorities for these necessary and normal laws;

2. Setting an inadequate timetable;

3. Legal and political incompetence, which has caused problems;

4. Provision of dangerously poor and inadequate information to the population; and

5. Provision of poor and inadequate information to the international public and to international organizations.

Documents prove that all this has not happened by itself. No, it happened with the knowledge of the coalition's leading politicians, as well as with their participation. [end recording]

Latvia

Radio Announces Rights, Duties of President

LD0807182493 Riga Radio Riga Network in Latvian 1700 GMT 8 Jul 93

[Excerpts] Now to an announcement. The president of the State of Latvia, in accordance with the Satversme [Constitution] of 1922, represents the state internationally, appoints Latvia's and receives other countries' diplomatic representatives, (?presides) over the Supreme Council of the country's armed forces, and in time of war the president is its supreme commander. The president has the right to take steps toward military defense, according to necessity, if another country declares war on Latvia or an enemy violates its borders. Thereby the president will convene the Saeima, which will decide on the declaration and commencement of war.

The state president has the right to grant amnesty to criminals.

The president has the right to convene and lead extraordinary sessions of the Cabinet of Ministers, determining their agenda. The president also has the right to propose laws. [passage omitted]

The president does not bear political responsibility for his activity, as the president's orders are signed by the prime minister or the minister who takes responsibility. The Cabinet of Ministers is formed by the person called upon by the state president to do so. The organs of state power in Latvia, according to the Satversme, are the collective citizenry, the Saeima, the state president, the Cabinet of Ministers, the ministers, the courts, and the State Control [valsts kontrole]. Bills may be presented by the state president, the Cabinet of Ministers, and at least five deputies and one-tenth of the electors. The Saeima elects the state president, the state controller, the Central Electoral Commission, expresses confidence or no confidence in the government, accepts the state budget, approves international treaties, declares amnesty and states of emergency. The work of the Saeima is led by its Presidium. If the Saeima expresses no confidence in the

prime minister, the entire Cabinet of Ministers must resign. That was the announcement.

President Ulmanis Receives U.S. Senators

LD0807195493 Riga Radio Riga Network in Latvian 1700 GMT 8 Jul 93

[Text] This evening Guntis Ulmanis, the newly elected state president of the Republic of Latvia, received his first foreign guests: U.S. Senators Phil Gramm and John McCain, who represent the Republican Party. During the talks the guests expressed their full conviction that as soon as possible the Russian Army must withdraw from Latvia. For his part Guntis Ulmanis emphasized that at present the moral support of the U.S. is very necessary to Latvia. Speaking of this, he noted that on the material side Latvia had especial need of aid in the medical, educational, scientific, and information spheres.

Birkavs Discusses Cabinet Structure, Economic Plan

LD0807200093 Riga Radio Riga Network in Latvian 1100 GMT 8 Jul 93

[News conference by Valdis Birkavs with unidentified correspondents in Riga—live]

[Excerpts] [Birkavs] Of course, the economic programs of the Latvian Union of Peasants and the Latvian Way lie at the foundation of everything. You know well that we have already worked for a long time on the Latvia-2000 program. If we analyze its points—comparing it with the program of the Union of Peasants—then it seems that there are no differences in principle. As far as their implementation mechanism is concerned, however, we needed to reach a range of agreements. Practically, this lies at the foundation of our coalition, which has already been made manifest.

As far as the structure of the government is concerned, then, we have agreed on 12 ministries. Negotiations within the coalition are continuing, however, and some changes are also possible in this area.

You are also well aware that the Latvian Way has nominated a range of ministers and that the Union of Peasants has agreed to this. So then, when we met for the first time after a full meeting of the Latvian Way, I already told you that the first four [as heard] musketeers were nominated: Ojars Kehris, economy minister; Maris Gailis, minister of state reforms; and Egils Levits, justice minister. The next one that we have agreed upon, in principle, and where there are no differences of opinion, is Georgs Andrejevs as foreign affairs minister. To a certain extent, a thorny issue, the post of the minister of finance, has now been resolved. The candidate is Uldis Osis.

All the other candidacies are left open for discussion and for debates within the coalition and with possible coalition partners. Because these negotiations will continue at 1600, I will not nominate other candidates before those debates end. This then is my introduction.

[Zarins] Egils Zarins, LETA news agency. Tell us when the moment will come, (?at least) theoretically, when you will present a complete cabinet.

[Birkavs] I hope that the law on the structure of the cabinet will be restored on 13 July. It should be restored, as a priority matter, in two readings. As soon as the law is restored and there is full understanding on how many ministries the cabinet includes, the government can be formed completely. I would hope that I could present it to the Saeima on 15 July in order to get a vote of confidence.

[Correspondent] What mistakes will you try to avoid in order not to repeat the sad experience of the Council of Ministers?

[Birkavs] I consider the Godmanis' government's insufficient activity in explaining its policies as the foremost mistake I would like to avoid. I very much hope that journalists present here will help me with this.

[Correspondent] What are your intended changes, if there are any, in the law on the cabinet?

[Birkavs] There are practically no essential changes in the law on the structure of the cabinet. Let us remember, however, that there were eight ministries in that law. Now we have 12. [passage omitted]

There is one rather important change, in that an office of parliamentary secretary is introduced. There are the following officials within a ministry: a minister; a state minister in various sectors, which using present terminology would be something like a director of a department being raised with his political responsibilities to the level of a state minister; and a parliamentary secretary, who at the moment would have the duties of helping the minister to manage the ministry, filling in for the minister, and maintaining contacts between the ministry and the Saeima. [passage omitted]

[Correspondent] The previous prime minister had many discussions in the antechamber with [Latvian Bank Chairman] Einars Repse regarding which policy was most decisive and which has borne the greatest fruit. How do you view cooperation with the Bank of Latvia?

[Birkavs] In any case, the main thing is that such cooperation should exist. However, time will tell what form it will take. We have envisaged a mechanism that provides for the Bank to evolve its monetary policy in accordance with the government's economic program or to take into account the government's program, rather then without any reference to it. That does not mean that we will try to make the bank dependent on the government. Not in the least. However, we have looked for an approach, and that was an issue that involved major discussions before all the crucial events. I think that we have found such an approach in which the bank, with its participation, will be able to influence the government, and the government will influence the bank to a certain extent. That understandably will not constitute any dependence of one on the other; rather, it will be cooperation.

Maritime Border With Lithuania Still in Dispute

PM0907090993 Moscow KRASNAYA ZVEZDA in Russian 8 Jul 93 p 1

[Aleksandr Ranevskiy report: "Latvian-Lithuanian Treaty on State Border Concluded"]

[Text] Riga—The border which existed between the republics [of Latvia and Lithuania] in World War II has been recognized as valid. The treaty does not include an agreement on the maritime border.

Latvia considers that the maritime border should be perpendicular to the land border whereas Lithuania favors a division along the geographical meridian. The dispute centers on ownership of the Baltic Sea oilfield.

Lithuania

Seimas Committee Issues Statement on Azerbaijan

WS0807150293 Vilnius ELTA NEWS BULLETIN in English 1255 GMT 8 Jul 93

[From ELTA "NEWS BULLETIN" No. 282a]

[Text] 8 July 1993—Seimas committee for foreign affairs released a statement on July 7 on events in Azerbaijan reading that "Lithuanian Seimas foreign affairs committee keeps watching closely events in Azerbaijan and views ousting of a legally elected president Abulfaz Elchibey by exerting military pressures as rough violation of democracy. We hope that all political forces in Azerbaijan will find ways enabling to maintain the country's democratic processes and its independence". The statement has been signed up by deputy chairman of foreign affairs committee, Linas Linkevicius.

Defense Minister: No Plans To Purchase Russian Weapons

LD0907093693 Vilnius Radio Vilnius Network in Lithuanian 1600 GMT 8 Jul 93

[Text] Audrius Butkevicius said at today's press conference that the Ministry of National Defense does not intend to purchase weapons from the army leaving Lithuania, although there have been proposals to do so.

Four former military enterprises are leaving as well. The removal of equipment from the Kaunas enterprises overhauling tanks and helicopters is nearing completion. A plan to establish joint Lithuanian-Russian enterprises for civilian purposes on their basis has been rejected.

Russian military will not manage by 31 August to remove ammunition and explosives from the (?Sateikiai) arsenals in Plunge rayon. About 20,000 tonnes of explosives are stored there since the end of the war. These are very dangerous materials and for security considerations their removal will not be rushed, said Colonel Stasys Knezys. They will be removed by the end of the year. The stores will be guarded by Lithuanian soldiers, and the stock taking of the explosives and the organization of transport will be carried out by several Russian administration officials and unarmed soldiers.

According to unofficial information, some ammunition and explosives will be handed over to the Lithuanian ministry of national defense. This was an ELTA report.

Oil Terminal Called Nation's 'Foundation Stone' of Independence

PM0707153593 Moscow ROSSIYSKAYA GAZETA in Russian 1 Jul 93 First Edition p 7

[Yuriy Stroganov report: "Oil From the Sea"]

[Text] Vilnius—It seems that the disputes over the gigantic oil terminal for the reception of offshore oil, which flared up in Lithuania the moment that independence was declared, have ended. The government has decided not to build a petrochemical complex costing around $300 million right next to Klaipeda but to equip a floating platform 8 km from the coast near the Latvian border.

The oil terminal problem arose when Lithuania left the USSR. To reduce its dependence on Russia to the minimum, Lithuania decided to buy oil from other states. But it takes specialized equipment to receive offshore oil. It turned out, however, that the oil terminal question is not only economic but also ecological and political. The "Greens" and the public in Klaipeda were incensed because they disliked the idea of being in close proximity to an installation like this which poses a danger to the environment. In the event of an accident oil could spill into the waters of the port and contaminate the fine beaches of Palanga and Neringa. Klaipeda has enough ecological problems already. But the construction on this installation could not be delayed: Lithuania's dependence on [imported] energy resources and thus on the supplier states is so obvious... Specialists, ecologists, and politicians embarked on a debate about the site for the construction of the oil terminal, its cost, the quantity of fuel that the state needs, and so forth. First one decision was made, then another, depending on the strength of pressure by various groups.

It turned out that it is perfectly possible to get by with the so-called gravitation platform, which is half the price. However, Lithuania's needs are not so great that it has to build another giant facility. Oil will flow straight from the offshore platform to the oil refinery at Mazeikiai along a 95-km main pipeline. That will have to be built, too, of course. But the ecologists are happy: In the event of an accident the damage will be considerably less.

It would probably have been cheaper for Lithuania to participate with other states which were republics of the former USSR in developing the Tyumen oilfields: It is a well-trodden path and things are easier if done together. But the state's political aim is to sever all ties with the structures of the former Union so as to avoid being drawn into any alliances. Thus the oil terminal is not just a support to Lithuania's economy but a foundation stone of its independence.